

REVIEW 2013

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ANNUAL REVIEW 2013

From our chairman

The global business landscape continued to evolve in 2013, creating opportunities for our clients and for White & Case. Throughout the year, we partnered with our clients to cut through complexity, anticipate challenges and find innovative solutions to their problems.

We used our experience to interpret trends, develop a point of view and offer our clients insights into the changing market. We listened to our clients, made sure we understood their priorities and applied the knowledge gained from our work around the world to their issues.

We also continued to focus on how we work together across borders and time zones. What we know in one part of the Firm may be the key to resolving a client's issue on the other side of the world. Making these connections is essential to meeting, and exceeding, our clients' expectations. The way we work together gives us an edge in finding original solutions, whether the challenges are anticipated or have never been faced before.

The stories in our annual review are grounded in the work we did in 2013, but offer perspectives on what's ahead. In them, our partners give their views, applying the lessons of the past to the challenges of the future.

The economic recovery in Spain, China's outbound investment, scrutiny of vertical mergers in the United States, new opportunities in Mexico—all of these are part of our changing world and offer insights into what's to come. I'm confident we will see even more change, and opportunity, in the year ahead.

Hugh Verrier Chairman

Our global leadership

Leading White & Case worldwide in its policy, direction and administration, our Executive Committee places the needs of our clients at the forefront when making decisions.



Client-centric

"We want our clients to feel that we are thinking about and organizing ourselves around their needs, not our areas of expertise."

-JACQUELYN MACLENNAN,
EXECUTIVE COMMITTEE | BRUSSELS

Thinking ahead

"While we can't always tell what the future will hold, we can look to the horizon to help our clients prepare for tomorrow's challenges."

-HUGH VERRIER, CHAIRMAN | NEW YORK

One Firm

"Thinking and acting as One Firm allows us to bring the best of our knowledge and experience around the world to our clients' issues."

 $-{\tt OLIVER\ BRETTLE}, {\tt EXECUTIVE\ COMMITTEE}\ |\ {\tt LONDON}$

Innovation

"New ideas that change the way we do things don't usually come from just one person. Innovation comes from working together to solve problems and applying those solutions to benefit our clients."

-DAVID KOSCHIK, EXECUTIVE COMMITTEE | NEW YORK

White & Case in 2013

WHO WE ARE

THE DIVERSITY OF
OUR PEOPLE IS A
SOURCE OF STRENGTH
FOR WHITE & CASE

85 NATIONALITIES 60+
LANGUAGES SPOKEN

WHERE WE WORK



OUR REVENUES

2013 US\$1.44 billion
2012 US\$1.38 billion
GROWTH

OUR APPROACH TO CLIENT SERVICE

DELIVER ONE FIRM TO OUR CLIENTS KEEP AN EYE ON THE BIG PICTURE PROVIDE CLARITY AND JUDGMENT FIND A WAY THROUGH STEP INTO OUR CLIENTS' SHOES BUILD LASTING RELATIONSHIPS

OUR OFFICES

40
OFFICES

27

U.

5

CONTINENTS

OUR LAWYERS

AMERICAS

684

EMEA

1,045

ASIA

166

TOTAL 1,895

Mexico takes the world stage

Partners Vicente Corta Fernández, Eduardo Flores-Herrera and John Vetterli discuss how Mexican corporates are increasingly engaging in financial transactions with international investors.



What were Mexico's biggest business and regulatory developments in 2013?

VCF: Reforms allowing private investors to participate in sectors that formerly were monopolies of the Mexican government opened up tremendous opportunities for Mexican corporates and foreign investors in 2013. Labor, antitrust, telecommunications and taxation are among the areas most impacted by reform legislation and are attracting investors' attention. Mexico's reform measures will continue to develop further as they roll out in the future.

EFH: Reform measures are having a particularly strong impact on the energy and the oil and gas sectors. In addition, financial reforms are being discussed that would increase Mexican banks' ability to grant loans to local small and mediumsized businesses. In the process, they are promoting growth for these enterprises and positioning them more favorably as foreign investment candidates.

With Mexican corporates increasingly engaged in financial transactions with international investors, which skills have grown in demand? What new legal and business challenges are Mexican corporates facing?

VCF: As Mexico moves toward a more privatized business environment, new skills, and a renewed emphasis on existing skills, are needed to meet the challenges of foreign investment relationships. Experience both in Mexican law and in the laws of international jurisdictions, especially US law, with an emphasis on New York law, is growing in demand. As cross-sector regulatory changes proliferate, a deep understanding of the new

regulatory environment and its full impact on foreign investments is now a top priority.

EFH: Corporates are seeking new ways to expand their operations, either through different types of financing arrangements, mergers and acquisitions or other activity. Adoption of proposed legislation, if passed, will increase the number and complexity of transactions, as longstanding monopolies will have to compete with new investors. The result has been a surge in the demand for and value of experience in mergers and acquisitions, corporate governance, and financial and capital markets.

What should Mexican corporates consider before entering a business relationship with an international entity?

VCF: Knowing the corporate culture, work ethic and thought process of their foreign partners is essential for Mexican corporates' ability to overcome cultural barriers and future conflicts that could undermine success. Mexican corporates can also help build strong investment relationships by understanding both Mexican and international perspectives at the outset of the relationship.

EFH: An institutional organizational structure with policies and processes supporting the investor relationship goes far toward advancing success. Other steps Mexican corporates can take include ensuring compliance with foreign regulations such as the Foreign Corrupt Practices Act and adopting a more formal business culture that renews emphasis on due diligence, full disclosure and longer, more detailed negotiations.

What types of companies or sectors, on either side of the transaction, are best suited for this type of investment?

VCF: Companies that embrace a global perspective and have international investing experience are typically better positioned than those that have primarily followed a more domestic approach to their operations and investment transactions. However, companies with more limited international experience can succeed by acquiring a high degree of specialization and/or an important client base that would allow steady growth within the market(s) in which they operate.

EFH: Mexico's demonstrated need for improved infrastructure, and proposed legislation allowing private investors to have a more prominent role in energy and oil and gas, have positioned these sectors as prime targets for international investors. Mexico's automobile industry is also well-suited for foreign investment, particularly US investment, due to NAFTA and US investor understanding of Mexican business practices and cultural issues. Finance is another sector showing promise for international investors, as shown by the increase in the number of banking licenses issued in the last five years.

What's the five- to ten-year outlook for international investment in Mexican corporates?

VCF: Significant economic expansion and additiona regulatory changes will further stimulate foreign investment, resulting in a more competitive environment that promotes greater efficiencies and business opportunities.



Vicente Corta Fernández Partner, Mexico City

- An authority on the laws and regulations of financial entities.
- Concentrates on the regulatory and transactional aspects of banking, project finance, securities and insolvency transactions.

Museo Soumaya in Mexico City exhibits both Mexican and European art



- Focuses on corporate law, securities, mergers and acquisitions, and bank finance.
- Advises underwriters and issuers on securities offerings for the Mexican and foreign markets in areas ranging from debt instruments and securitizations to warrants and subordinated debentures.



John Vetterli Partner, New York/São Paulo

- Represents issuers, underwriters and other participants in the full range of debt and equity securities transactions, including public offerings Rule 144A/Reg S offerings and private placements.
- □ Counsels domestic and foreign clients on corporate advisory and compliance issues including those related to SEC regulations, Sarbanes-Oxley legislation and disclosure obligations.

EFH: Economic momentum, rising individual wealth and record-setting capital markets transactions are among the drivers of an overwhelmingly positive outlook. This outlook will become even more optimistic as reform measures progress and investor returns continue to grow.

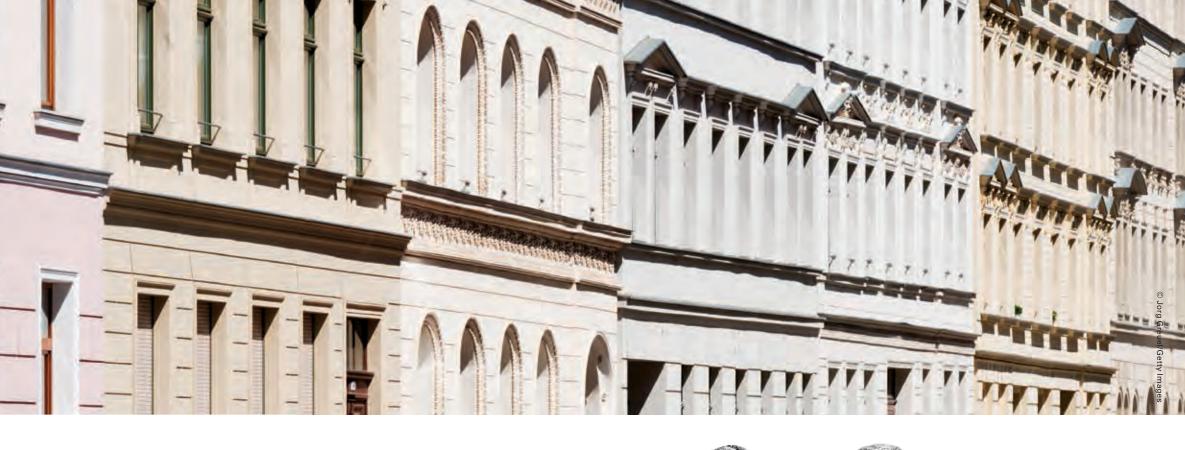
JV: The investing community prizes jurisdictions that combine growth potential with relative stability. Mexico stands out among Latin American economies for its stable institutions, orderly political transitions and integration with larger economies, most notably the United States. These factors, together with the beginning of reforms affecting traditionally state-controlled industries and the need for infrastructure investment, all point to a steady and growing pipeline of opportunities for international investment in Mexican corporates over the medium term.

DE

US\$2.56 billion record-breaking international offering

We represented Grupo Financiero Banorte, Mexico's third-largest financial services group, in its record-breaking US\$2.56 billion follow-on offering of common shares. The international offering was 3.4 times oversubscribed and was the second-largest ever in Mexico. 1

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German real estate rebounds

Partners Stefan Feuerriegel and Endrik Lettau discuss where German real estate opportunities lie for domestic and international financing sources and developers, as well as the challenges they face.

What were the most significant developments in the German real estate sector in 2013?

EL: The real estate market has recovered from the global financial crisis and is operating at a level comparable to the years before the Lehman bankruptcy. The €1.1 billion sale of TLG IMMOBILEN GmbH at the end of 2012 (in which White & Case represented the seller, the German Ministry of Finance) was the largest German privatization in five years. The sale of Bayerische Landesbank's GBW (GBW) AG unit, valued at €2.5 billion including debt, was the largest sale in Germany's property market in five years. These recent transactions demonstrate that the market is also active in the area of large portfolio transactions.

What role is foreign investment taking in the German real estate rebound—and what is that investment focused on?

EL: Foreign investment is taking a big role, as international investors and private equity companies have become more important stakeholders in the German real estate investment market. Direct investment into the German real estate market is occurring following a period in which investing indirectly into special purpose vehicles (SPVs) was the preferred choice.

SF: Investors' appetite for risk is returning. We have seen private investments, especially from Russia, the United States and the Middle East, and portfolios have become more and more international. The supply of core real estate (shopping centers, high street properties) is falling, but foreign investors still have money to invest.

Where are the future opportunities in German real estate? Will the market remain robust for investment and development—by both domestic and international financing sources and developers?

EL: The light industrial real estate sector will continue to develop. Financial lease agreements signed by bigger corporates in the past may become increasingly substituted by standard lease agreements with professional investors as lessors. The restructuring of real estate investments will continue to generate strong activity.

SF: The hospitality sector will be strong. We did a great deal of work for international investors in the acquisition of hotels in 2013. Our hospitality practice is developing rapidly, and the deep industry knowledge our partners can offer has helped it grow in Germany. We anticipate strong activity in this



Stefan Feuerriegel Partner, Hamburg

- □ Focuses on real estate law, particularly real estate transactions, commercial tenancy, construction and land law.
- Speaks German, English and Spanish.



Endrik Lettau Partner, Frankfurt

- Leads the Global Real Estate Industry Group.
- Active in providing legal advice to foreign investors on their activities in the German real property market.

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INUAL REVIEW 2013

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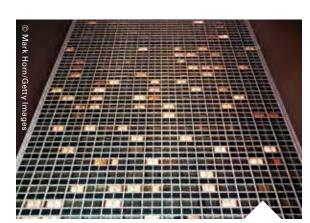
sector in 2014. Although supply is falling, the market for core investments will continue to be strong. Finally, Germany's demographic shift—as the average age grows older and the number of elderly people increases—should create an increased demand for property for elderly people.

EL: There are also some potential brakes on the German real estate market. As soon as the economies of the larger eurozone countries pick up speed again, investment outside Germany could become increasingly attractive again. Also, the possibility that economic recovery in the eurozone could raise investor interest in financial market products compared with property could impact the real estate market.

What are some of the challenges these investors face, and how can they be overcome?

SF: For developers of large-scale developments, getting building permits/public zoning rights is becoming more and more difficult due to strong public concerns over these developments. Also, bank financing sources have decreased in the past years, and many of these sources have disappeared. We see, however, new key financing players taking their places, including insurance companies and pension funds.

EL: New regulatory challenges have emerged. Germany's new Kapitalanlagegesetzbuch (KAGB), by which the government has implemented the Alternative Investment Fund Managers Directive (AIFMD), is one example. These include stricter regulations for closed-end real estate funds, extended reporting requirements for Spezialfonds and a restructuring of closed-end funds. It has created market changes whereby grey market players who did placement of closed-end funds have disappeared. New players will emerge, however.



A hotel in Alexanderplatz, Berlin

DEAL

International joint venture acquisition of 20 German hotels

We advised a consortium consisting of the Israeli hotel chain Fattal Hotels Group and other international investors on the acquisition of 20 hotels in Germany. The joint venture is acquiring 15 Holiday Inn hotels, four Best Western hotels and one Queens hotel from Queens Moat Houses Ltd. (QMH). The advice included the acquisition of the hotels in a share deal and the complex financing of the acquisition via senior and mezzanine loans. This is the largest hotel property transaction in Germany in recent years.

GERMAN REAL ESTATE TRANSACTION VOLUME

	Q1-Q3 2012	Q1–Q3 2013	INCREASE
INDIVIDUAL	€12.2 BILLION	€14.4 BILLION	18%
PORTFOLIOS	€12.7 BILLION	€14.7 BILLION	74 %
TOTAL	€14.9	€19.1 BILLION	28%

Source: Jones Lang LaSalle, On Point Investmentmarktüberblick Q3 2013

European businesses turn to US financing

Partners Eric Berg, Eric Leicht and Alan Rockwell examine the growing demand for US financing and when it is more advantageous for European companies to obtain it.

Do you expect European companies' demand for US financing to change in 2014?

EB: Market confidence in the United States remains high, and the 2014 outlook is very positive, so I expect demand for leveraged loans as an asset class will stay strong, and stronger than in Europe. As a result, more European companies will look to US financial markets to raise dollar debt financing, or "Yankee Loans," especially as the markets gain a better understanding of how to structure these deals. I also expect euro tranche lending to rise as demand continues to recover in Europe.

When is it more advantageous for European companies to obtain US financing?

AR: Non-US borrowers with a significant US or global presence, or a significant US dollar revenue stream, are well-placed to access US financial markets for lower-cost, more flexible financing. Also, lower-rated non-US borrowers interested in raising significant levels of debt financing will generally find it easier to do so in US markets, where the appetite for risk remains greater.

European borrowers with more immediate or sudden financing needs may also look to US financial markets, as they tend to be "open" for longer windows and recover more quickly following periods of market uncertainty.

EL: European companies and their European equity owners interested in more flexible covenant packages should also consider US financing. These include covenant "lite" structures that eliminate the requirement of a financial maintenance covenant for the benefit of institutional investors. Fewer covenant restrictions allow for more day-to-day operational flexibility and less risk to private equity

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Eric Berg Partner, New York

Leads the Global Banking Practice.

Experienced in finance matters focusing on lenders, sponsors and corporate borrowers in domestic and international leveraged finance transactions; leads asset-based financings and investment, and near-investment-grade financings; advises on deal structuring, negotiation and documentation.



Eric Leicht Partner, New York

Head of Americas Banking.

Represents major commercial and investment banks as lead agents and arrangers in a variety of lending transactions, with emphasis on acquisitions and leveraged financings.



Alan Rockwell Partner, New York

Partner in the Global Banking Practice.

Represents leading investment and commercial banks, private equity sponsors, hedge funds and corporate borrowers in transactions ranging from leveraged and investment-grade acquisition finance to restructuring and cash management.

INUAL REVIEW 2

10

"We expect a continuation of the trend toward US high yield capital markets debt and bank loans provided on an 'underwrite to distribute' model rather than the traditional European approach of 'buy-and-hold' or 'buy-and-sell' to other commercial banks."

—ERIC LEICHT, PARTNER

US MARKETED LEVERAGED LOAN VOLUME BY NON-US BORROWERS

US\$ 82.2 billion

US\$ 50.1 billion

64%
INCREASE

Source: *Dealogic Loans Review*, January 2014

owners, and their equity option value, should a company experience financial difficulties. These difficulties may be specific to the company's business or to a more general economic downturn. In many cases, creditors will simply be without a remedy, or a seat at the table, until the company is without funds or files for bankruptcy protection.

How can a US financial institution position itself as a premier financing source for European companies?

AR: US financial institutions with strong brands and a US and European presence are better positioned to win roles on cross-border financings for European companies. Other advantages are a deep understanding of the differences between the two markets and financial structures that combine elements from both, and a proven track record of executing around additional complexities inherent in cross-border financings. US financial institutions that best apply knowledge from their teams on both sides of the Atlantic will be most successful.

EL: US financial institutions need a deep European network to identify and take advantage of important financing opportunities. For this reason, those strongly coordinated with their private equity and industry coverage teams in London and other key European markets will have a distinct advantage.

What challenges do US financial institutions face when providing financing to European companies?

EB: The range of challenges is far reaching, with some of the most prevalent including conflict between US and European rules on sanctions/ antiterrorism restrictions and anticorruption restrictions, European "monopoly rules" limiting or controlling licensed lenders, regulator-imposed

lending limits, tax laws (including withholding tax issues) and investor expectations of recoveries should the borrower default. Also, my experience has been that cultural differences are not a major issue when dealing with European borrowers.

Are any changes expected in the US or European economic or political environments that could impact future financing strategies?

EL: The general view in Europe is that non-bank sources of financing will remain critically important given the challenges European banks face. We expect a continuation of the trend toward US high yield capital markets debt and bank loans provided on an "underwrite to distribute" model rather than the traditional European approach of "buy-and-hold" or "buy-and-sell" to other commercial banks.

The European Collateralized Loan Obligation (CLO) market began to reopen at the start of 2013. However, regulators then clarified certain guidelines, requiring a "reboot" and making European CLOs difficult to structure in a viable fashion. These guidelines, unless further modified, will only reinforce the shift to fully syndicated financings funded by US-based CLOs.

AR: In the United States, there are discussions concerning bank regulators' increased focus on the Leveraged Lending Guidelines published jointly by the Federal Reserve, the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC), specifically regulatory criticism of high leverage levels in a number of 2013 deals. In the United States and Europe, market activity may be impacted by the introduction of tougher new capital adequacy rules under Basel III if interest rates rise in 2014, though a meaningful rise is not expected in the near future.



DEAL

US financing for CeramTec Group

We advised Deutsche Bank AG, New York Branch, on the financing of a US\$439 million and €291.3 million senior secured term loan, and a €100 million multicurrency revolving credit facility, provided to the CeramTec Group. We also provided German law advice regarding a notes issuance of €306.7 million. Among the transactions' purposes was to finance a portion of the acquisition of CeramTec North America Corporation and CeramTec GmbH and their respective subsidiaries as well as CeramTec Group's working capital needs.

DEA

US refinancing of UK-based Doncasters Group Limited

We represented Credit Suisse Securities (USA) LLC and Credit Suisse AG, Cayman Islands Branch, in a US\$876 million senior secured first-lien term loan, and a US\$290 million senior secured second-lien term loan. We also advised Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated on a £110 million senior secured asset-based revolving credit facility. The loans and revolving credit were used to refinance existing senior debt of Doncasters Group Limited, a UK-based portfolio company of Dubai International Capital.

INUAL REVIEW 2013



Spain poised for growth

Partners Juan Manuel De Remedios and Christian Pilkington review Spain's turnaround and regulatory changes regarding restructuring.

What is the current condition of Spain's economy?

JMDR: Although some markets have been slower than others to recognize Spain's economic revival, the country is at the close of the downturn that began in 2008. Spain is no longer a vulnerable market plagued by crippling debt, undercapitalized banks and a legal framework fraught with uncertainty and delay.

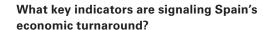
On the contrary, in 2014 Spain is positioned for significant economic growth and, for the first time since the crisis took hold, a reduction in the unemployment rate. There is also improvement in the primary deficit.

Spain has succeeded in reframing the debate from "Is Spain going to recover?" to "When will Spain recover, and how strong will the recovery be?" In fact, Spain is now a thriving environment rich in high yield-to-risk investment opportunities and is rapidly becoming one of Europe's most attractive investment locations.



Juan Manuel De Partner, Madrid

- □ Executive Partner of the Madrid office.
- □ Focuses on general corporate law, capital markets, mergers and acquisitions and private equity.



JMDR: Spain is making measurable progress in a number of meaningful areas, some of which were quite unexpected. Consumer confidence levels are at a two-year high, prices in the housing market have reached their bottom and the banking sector is close to reaching its stability targets. Other positive indicators: falling inflation rates, dramatic post-labor reform adjustments to real wages and the attendant improvement in employee productivity, an encouraging upward shift in consumer credit and a rise in automobile sales and air traffic.

With its export sector now the leader in Europe, Spain is experiencing an export-led recovery, with strong performance even with nations that share the same currency. Spain has also improved its current account by 11 to 12 points of GDP in approximately six years, and in the first three quarters of 2013, exports increased by 6.6 percent, compared to a negative performance by the eurozone.

If the positive trend continues, Spain will become the Western country with the second-highest current account surplus after Germany. Also, Spain's exports to the Middle East and Latin America have climbed sharply, and overall its exports apply to a large range of sectors.

How has Spain been able to experience an economic rebirth while some other EU countries have not?

JMDR: Spain's economy is bolstered by political stability as well as institutional reform that has both introduced new efficiencies and additional improvements to the government and streamlined the country's private sector. Unitary labor costs have been dramatically reduced, rendering Spain one of the most competitive European nations. Also, the percentage of revenues obtained outside Spain by Spanish companies has grown steadily.



Christian Pilkington Partner, London

- □ Head of non-contentious Financial Restructuring and Insolvency in EMEA.
- □ Works with the full range of insolvency practitioners and creditors, advising on national and crossborder restructuring and insolvency matters.



restructuring aided Spain's recovery?

CP: Until recently, many firms seeking to restructure looked toward the United Kingdom as an alternative regime, since it was estimated that approximately 90 percent of "concurso" insolvency proceedings in Spanish courts resulted in liquidation, a discouragingly high ratio. Many, therefore, looked to employ UK schemes of arrangement to affect the balance sheet restructurings.

These restructurings give great flexibility regarding the actual "deal" implemented by the restructuring. For example, there have been schemes where all the debt has been written off the company's balance sheet and senior lenders have taken over the equity, others where no debt was written off and schemes with everything in between. Another benefit is that they are not a formal insolvency process and, therefore, do not necessarily cross-default underlying financial and commercial contracts.

Further, a key advantage of UK schemes of arrangement is that, provided 75 percent and a majority of those creditors vote in favor of the restructuring proposal, any dissident creditors or those not voting will be deemed to have accepted the arrangement and will be crammed down into the restructured group.

The absence of an alternative, effective cram-down mechanism in Spain fueled this move to the United Kingdom for Spanish groups that had to be restructured, e.g., La Seda, Metrovacesa and Cortefiel. However, the Spanish Parliament recently approved an amendment to the Insolvency Act

that helps Spanish businesses facing difficult times. Among other things, the amendment reduces the percentage required for a court homologacion, i.e., cram-down, from 75 to 55 percent of the liabilities held by financial institutions. A court can impose a stay that has been accepted by the financial institutions, representing at least 55 percent of all debtors' liabilities with financial institutions. That stay is imposed on all unsecured dissenting or nonparticipating financial creditors.

It remains to be seen whether creditors and Spain-based groups will use this new process going forward, or whether they will prefer the predictability and certainty of outcome that UK schemes of arrangement provide. However, the amendment introduced by the Spanish Parliament can only be a positive step for all stakeholders with increased restructuring alternatives at a time when they need them most

Where can foreign investors find prospective investment opportunities in Spain?

JMDR: Foreign investors should look to Spanish public companies that are profitable, but owned by municipalities eager to raise cash. Other opportunities can be found in local governments with substantial real estate holdings that the government needs to sell under duress. As a result of the current credit crunch, there are also secure Spanish companies that may be lacking liquidity and whose shareholders may be willing to bring in new investors.

SPAIN'S RECORD-HIGH

€146.2 billion US\$ 201.3

€155.8 oillion 14.6

JAN to AUG JAN to AUG 2012 2013

GROWTH

Source: Reuters.com.uk October 23, 2013

Middle East projects: Strategies for success

Partners Mark Castillo-Bernaus and Wendell Maddrey consider new sources of funding, successful financing strategies and where project opportunities lie.



Solar power infrastructure in Burj Khalifa, Dubai

With major Middle East projects on the upswing, many involving billions of dollars, what are the sources of financing for them? Given the tumultuous financial markets, are new sources of financing arising?

MCB: In today's project finance market, large-scale or complex projects will almost always require a sponsor to combine financing from a number of different sources to achieve a fully funded finance plan on the best possible economic terms. The increasing complexity and scale of projects, in particular in the Middle East, has allowed for myriad funding sources to be used, including commercial banks, regional financial institutions, export credit agencies (ECAs), senior sponsor debt, project bonds and Islamic finance.

WM: New structures such as project bonds and Islamic finance have been welcomed and integrated into the Middle Eastern project financing market, and it is seen as normal to have such diverse funding sources form part of the financing plan from the outset, as well as for future debt, whether for expansions, re-leveragings or refinancings. As part of the multisourced US\$10.5 billion financing for the Sadara petrochemical project, a project sukuk was issued as an initial stage of the overall financing. Similarly, Shuweihat 2, a power and water project, was partially refinanced by a Rule 144A project bond.

With this diversity of financing sources and parties to a major project, how can one coordinate multiple partners and investors to achieve success?

WM: Parties come to the table with a range of commercial, financial and cultural perspectives and perceived requirements. The challenge is to combine the various parties' strengths and reconcile any competing interests in a manner that will support the project over a long-term (often 25+ years) operational time horizon.

Successfully navigating these challenges requires committed sponsors who are able and willing to dedicate internal and external resources and find the commercial balances required for a sustainable project. From the law firm perspective, whether representing sponsors or lenders, it is important to know the relevant market precedents and to have the ability and agility to help develop creative approaches to novel issues when needed. Continuous involvement with similar projects on an international and regional basis provides great insight into what structures and processes have been successful and how they can be adapted to different markets.

MCB: The secret to a successful financing strategy is planning. Investing time in structuring the financing terms to accommodate various funding sources establishes the foundations for a successful fundraising—affording full flexibility for the sponsors with respect to present and future debt mix. On large-scale project financings involving multiple export credit agencies (ECAs), both the financial and legal advisers, along with the sponsors, need to agree on optimum economic and financing terms for a transaction and to ensure that all the required information is provided as early as possible to such lender parties. Also given the demands on ECAs, it is only natural for their time to be managed efficiently with an upfront plan of predetermined meeting schedules.

On large multisourced financings, all funding options should ideally be considered at the term sheet stage, even if a funding source isn't contemplated initially. For example, in certain transactions, lawyers and financial advisers need to structure a bond or a sukuk at the outset. Underwriters, rating agencies and capital markets authorities have different requirements than ECAs and commercial banks, and these elements should be considered at a transaction's start regarding time planning and financing terms. CONTINUED ON NEXT PAGE



Mark Castillo-Bernaus Partner, London

- Partner in the Global Project Finance Practice
- Experienced in large complex, multisourced project financings in Europe, the Middle East and Africa involving export credit agencies and development financial institutions.



Wendell Maddrey Partner, New York

- Leads the Global
 Oil & Gas Industry Group;
 Partner in the Global
 Project Finance Practice.
- Concentrates on international corporate and financial transactions, particularly those involving sovereigns and state-owned companies, the oil and gas sector and international debt rescheduling.

Looking ahead, where are the project opportunities in the Middle East, and what new strategies will be needed for them to succeed?

MCB: Policymakers have shifted their focus toward renewable and nuclear energy solutions to meet rising domestic demand from more sustainable and efficient resources. There are indications that even in certain traditionally oil and gas-focused jurisdictions, such as Saudi Arabia, there is a shift to renewables and the nuclear sector, as well as continued focus on downstream activities, such as large petrochemical projects.

The King Abdullah City for Atomic and Renewable Energy, the body established by the Saudi government in 2010 to oversee Saudi Arabia's renewables and nuclear program, released a white paper in 2013 detailing the competitive procurement process it will use to tender and award contracts for its renewables schemes. This builds on the Abu Dhabi Masdar project, which the Emirates put in place in 2006 as part of its renewables and energy diversification plan.

WM: The region's abundant natural resources will continue to support projects throughout the hydrocarbon value chain, including refineries, gas treatment plants and petrochemical facilities. The desires of Middle East countries to diversify their economies and meet the needs of their growing populations will also encourage a broad range of energy and infrastructure projects. A large-scale metro project is planned for Riyadh. Power projects and transport infrastructure, focusing on airports and light rail, will remain a key focus in the United Arab Emirates, in part linked to Dubai's bid to host the 2020 World Expo and the Abu Dhabi Vision 2030.



World's largest-ever chemicals sector project financing for Saudi Arabia complex

An integrated team of lawvers from multiple offices across the White & Case global network advised Saudi Arabian Oil Company (Saudi Aramco) on the project financing for Sadara Chemical Company (Sadara), its joint venture with the Dow Chemical Company, to build and operate a US\$20 billion world-scale integrated chemicals complex in Jubail Industrial City, Saudi Arabia. The multisourced Sadara transaction is the largest-ever project financing in the chemicals sector, with loans provided by a combination of the Public Investment Fund of the Kingdom of Saudi Arabia, seven export credit agencies and a diverse range of commercial banks and Islamic financial institutions (participating in both wakala and procurement funding structures). White & Case also advised Saudi Aramco on all aspects of the development of the Sadara complex, including negotiation of a full set of project documents. Once completed, the Sadara complex will be the world's largest chemical facility ever built in a single phase.

Phase II expansion of landmark US\$10.2 billion Abu Dhabi smelter project

We represented the lenders in the Phase II expansion of the landmark US\$10.2 billion Emirates Aluminium smelter project in Abu Dhabi. Upon completion of Phase II, the project will be one of the world's largest single-site aluminum smelters and will include the world's largest single potline at 1.7 kms and annual production capacity of approximately 1.3 billion tons. We advised the commercial banks on conventional and Islamic tranches totaling US\$3.4 billion, as well as four export credit agencies on direct and ECA-supported tranches totaling US\$600 million. We had originally advised the commercial lenders and several of the credit agencies on the financing of the US\$5.7 billion first phase of development.

Children's art show at the Kingdom Tower in Riyadh, Saudi Arabia

China outbound investment: Will it continue?

Partners Xiaoming Li, Vivian Tsoi and Alex Zhang examine the role China's private companies are playing, the challenges Chinese companies face and the factors that could affect decision making in 2014.

What were China's Outbound Direct

AZ: The fundamental trends of 2013 were Chinese

companies' need to acquire resources, technology

and market share for their own growth, and those

trends will remain strong in 2014. In the meantime,

push the outbound expansion of Chinese companies.

These financings have made it possible for smaller

Chinese companies to acquire or buy into much

VT: China's political transition was the year's key

trend. During this transition and the arrival of new

political leaders, many companies postponed

political environment becomes more certain.

What role are China's private companies

AZ: The number of overseas deals initiated by

increased, with interest in them at the highest

levels I have ever seen—238 private company

Dealogic's report of 45 overseas deals valued at

Many private companies believe they have limited

room for growth in the Chinese market. A platform

VT: Once the political transition is completed and the

"wait and see" approach begins to lessen, investment

transactions by state-owned enterprises and private companies are likely to increase even further.

outside China can therefore deliver long-term

three quarters of 2013. That compares with

China's private companies since 2004 has steadily

overseas deals valued at US\$24.3 billion in the first

overseas investments and transactions until the

competitive financings by Chinese banks helped

Investment (ODI) trends in 2013?

larger foreign companies.

playing in ODI?

US\$3.7 billion in 2004.

benefits to them.



Partner, Beijing

- □ Executive Partner of the Beijing office.
- Experienced in finance. mergers and acquisitions and capital markets transactions.

What challenges do Chinese companies face when investing in foreign markets?

XL: Integration remains a significant challenge. It requires an appreciation on the part of Chinese companies of local political, legal and cultural differences, and a good understanding of their own culture and value system.

Apart from economics, Chinese companies must determine what they can and should do to enrich the communities where they invest. A good indicator of success is the extent to which locals identify themselves with Chinese investments and their culture, and the long-term benefits those investments bring to the community.

VT: Pre-investment, many Chinese companies still face a relatively time-consuming decision-making process, which is a longstanding issue and becomes a greater obstacle when fast-paced transactions are involved. For example, in the case of auctions, regulatory approvals are required for outbound investments, and it can be difficult for a Chinese company to make a successful bid in time.

Post-investment, integrating the overseas company into the parent company often involves practical issues such as headquarters in China having the appropriate staff that can be transferred to work onsite overseas, or being able to effectively merge its corporate culture into the overseas company, which may not understand Chinese corporate culture. Often, two to three years after the deal closes, the overseas company is still not properly integrated and continues to operate as an independent company. CONTINUED ON NEXT PAGE



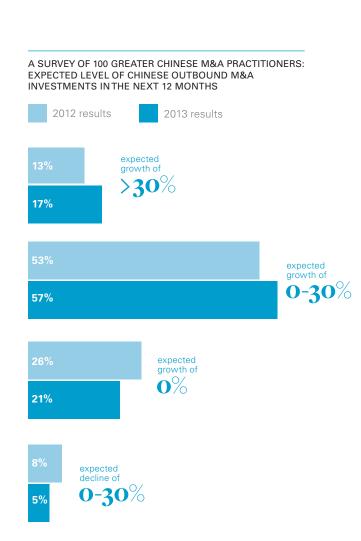
Vivian Tsoi Partner, Beijing

- □ Focuses on mergers and acquisitions and complex corporate transactions.
- Advises China-based clients on strategies for entering overseas markets.



Alex Zhang Partner, Shanghai

- Executive Partner of the Shanghai office.
- □ Focuses on mergers and acquisitions, venture capital/private equity financing and China outbound investments across a range of industries.



Source: Deloitte China, Graduating Up the Value Chain: China's Overseas Revival Survey, 2013

Will China's ODI continue to grow and diversify in markets and sectors in 2014?

AZ: Consumer-related sectors such as automobile, agriculture, entertainment, technology and real estate are all positioned for growth, primarily due to government policies and more favorable financing opportunities. The mining and oil and gas industries have historically represented the majority of outbound merger and acquisition activity. However, the number of deals has begun to decrease, though volume remains strong.

XL: China's ODI is being driven by the need to secure energy, natural resources and new technology. The push for ODI is also powered by flush liquidity provided by Chinese banks, which are quickly expanding overseas along with their clients.

VT: I expect ODI to continue, and while natural resources will remain a key focus area, Chinese companies are increasingly looking to acquire top-of-the-market consumer goods brands and technology from overseas.

What issues could affect Chinese companies' ODI decisions in 2014?

XL: Chinese companies value political stability in the countries where they invest. They also realize that stability often is the opposite of opportunity. As they are newcomers to the world stage, Chinese companies tend to accept that political stability may not necessarily be a given in places where they invest, and they have to learn to deal with it. In the meantime, negative publicity and perceptions are bound to arise, as will investment failures and even disasters.

To a large extent, the success of Chinese companies' ODI will be defined not by how much profit they make, but by their ability to manage negativity and grow harmoniously with the local community.

VT: Assuming China's promised political and market reforms are enacted, such as reforms to curb corruption, company and consumer confidence should return. Once confidence regains its momentum, more Chinese companies should be willing to consider ODI. However, the strength of this momentum will depend largely on whether the reforms are perceived as adequately addressing market inefficiencies.

DEA

Chinese pharmaceutical company acquires Scientific Protein Laboratories, LLC for US\$337.5 million

We represented China-headquartered Shenzhen Hepalink Pharmaceutical Co., Ltd. and its US subsidiaries in its US\$337.5 million acquisition of 100 percent of the equity interest of Scientific Protein Laboratories, LLC, a leading global, independent manufacturer and supplier of active pharmaceutical ingredients.

DΕΔΙ

Chinese conglomerate acquires 91.81 percent of British luxury yacht manufacturer

We represented Sunseeker Yacht Holdings Limited, whose major investor is Dublin-based investment boutique FL Partners, in the £320 million sale of 91.81 percent of the shares in its wholly owned subsidiary Sunseeker International (Holdings) Limited, a leading manufacturer of luxury yachts, to Dalian Wanda Group Co. Ltd., a leading Chinese conglomerate.

CHINESE PRIVATE COMPANY OVERSEAS DEALSTHROUGH 03 2013

238
DEALS

value at US\$24.
BILLION

in the first three quarters of 2013

2013

Source: Dealogic

22

By Paule Biensan, Lee Cullinane, Stuart Matty and Philip Stopford

$oldsymbol{\Lambda}$ frica is on the verge of transforming itself.

Countries such as Ghana, Ivory Coast, Mozambique, Tanzania, Uganda and Kenya have discovered large quantities of oil and gas in recent years, adding themselves to the list of countries rich in those resources such as Nigeria, Gabon and Angola. The continent features huge quantities of mining resources as well. Africa-wide, GDP is expected to rise by an average of six percent annually in the next decade, according to the United Nations Conference on Trade and Development (UNCTAD).

Africa is clearly on the cusp of a new era in its development—a boom that could transform the continent. But where will the money come from to fund this success? Just the new transport infrastructure needed to connect the continent requires hundreds of billions of dollars. While there are many streams of financing, four are taking on greater importance.

1. Sovereign bonds

The year 2013 was a record year for sovereign issuers in sub-Saharan Africa as four sub-investment-grade African countries accessed the public international capital markets, raising a total of US\$3.65 billion. Rwanda made its debut on the international stage, while Gabon, Ghana and Nigeria made their second forays into the markets. White & Case advised on all four transactions. In fact, since 2007, when Gabon, advised by White & Case, first accessed the markets, the Firm has advised on 90 percent of all sovereign transactions in the region (excluding South Africa, which is a seasoned issuer).

Notwithstanding the relatively small size of the market and investor concerns over transparency and economic and political stability, the African debt market is an increasingly attractive proposition for investors looking for portfolio diversification and attractive yields. As the macroeconomic outlook and political stability of many African countries improve, the number of countries accessing the international markets will continue to grow.

2. New sources of foreign investment

Historically, investment in Africa was led by countries such as the United States, the United Kingdom and France. They were the top three investors in terms of the number of new foreign direct investment (FDI) projects between 2007 and 2012. But increasingly, countries in emerging markets are recognizing the attractiveness of doing business on the continent. UNCTAD's World Investment Report 2013 disclosed that the largest sources of FDI in Africa among developing economies are Malaysia, South Africa, China and India, in that order. For example, White & Case recently advised the China Development Bank on several major financing arrangements in Angola and Kenya.

3. ECAs and IFIs

Continuing downward pressure on bank financings, caused by, among other things, the commercial bank debt crisis and more stringent capital requirements under the new Basel III framework, continues the trend toward more export credit agency (ECA) and international financial institution (IFI)-backed financings. More ECA/IFI involvement in projects is expected to be reflected both in larger loan amounts for each ECA/IFI and in more ECAs/IFIs participating in each project.

In many countries, ECA/IFI-backed financings, including those from development finance institutions, play a major role in supporting infrastructure growth and ensuring that nationally important projects get up and running.

We advised the African Development Bank on the financing of its first toll bridge in the Ivory Coast. And recently, The Development Bank of South Africa announced plans to significantly expand its role in lending to infrastructure sectors. It approved loans worth US\$968 million in 2013 for power generation and transmission infrastructure.

Our lawyers also recently represented the lenders in the groundbreaking US\$1.2 billion financing of Indorama's nitrogenous fertilizer complex in Rivers State, Nigeria, the largest fertilizer plant in Africa. The financing was provided by a diverse group of international and Nigerian lenders comprising development finance institutions, international banks and leading Nigerian banks.



Paule Biensan Partner, Paris

- Partner in the Global
 Project Finance Practice.
- Practice areas include project finance, acquisition finance, general corporate and mergers and acquisitions.



Lee Cullinane Partner, London

- Head of EMEA Banking.
- Represents and advises leading financial institutions, private equity groups and corporate clients in a wide range of financing transactions, acquisitions, restructurings and general banking matters.



- Leads the Global Capital Markets Practice.
- Extensive experience advising on securities offerings, with a primary focus on debt securities offerings in developing and emerging markets including Africa and the CIS.

Philip Stopford Partner, London

- Head of EMEA Energy, Infrastructure, Project and Asset Finance.
- More than 30
 years' experience in
 international projects,
 including preparation of
 concession agreements,
 tender documents,
 construction, finance and
 security documents, and
 other contract drafting
 and negotiation.

4. African domestic capital

Western

Cape Verde

Senegal

There is a compelling awareness that Africa needs to take ownership of its infrastructure development. Current financing initiatives by African institutions are encouraging and appear to be gaining momentum.

Algeria 3.7%

Niger 6.3%

5.3%

Mali 5.6%

> Togo **5.1**%

> > São Tomé

and Principe

21.5%

Equatorial

Republic of Congo

The Indorama project on which we advised illustrates the growing significance of domestic capital—several major Nigerian banks played a role in the project's US\$1.2 billion financing, including Access Bank, Ecobank, Guaranty Trust Bank, Stanbic IBTC Bank and United Bank of Africa.

We also advised Guaranty Trust Bank plc on its acquisition of a 70 percent stake in Fina Bank Limited. This transaction, completed in December 2013, is notable as the first intra-Africa bank acquisition in East Africa.

Recent M&A activity in Nigeria also illustrates this trend, as local Nigerian entities acquire significant oil and gas assets from international oil companies. We represented Standard Bank of South Africa in a US\$765 million financing for Shoreline Natural Resources Limited (an indigenous Nigerian company) in its acquisition of a 45 percent interest in OML 30, a major onshore oil-producing block in Nigeria, together with a 45 percent interest in other assets under the joint operating agreement for OML 30, which includes a segment of the Trans Forcados Pipeline.

Creating positive perceptions

Concerns about corruption, political stability and no clear macroeconomic direction constrain investment in Africa. But, "We need to keep a sense of perspective," noted Cherie Blair, who spoke at our Investment in Africa seminar in London in

PROJECTED GDP FORECAST IN AFRICA: COMPOUND ANNUAL GROWTH RATE 2014 – 2018*

Zimbabw

Botswana 4.1%

Africa 3.4%

Egypt 4.0%

> Sudan 3.2%

— Eritrea 1.**6**%

Malawi

_ Swaziland

0.3%

Diibouti

Seychelles—

3.6%

Mauritius

Libya

Chad 4.7%

Angola 5.8%

Central African Rep 5.6%



Source: IMF, World Economic Outlook Database, 2013

*Note: Percentages have been rounded to the nearest decimal point.

November 2013. Citing Transparency International's Corruption Perception Index, she noted that eight African countries rank higher than Brazil, 15 rank higher than India and 32 rank higher than Russia.

Strong national leadership must send clear policy signals and create regulatory frameworks to stimulate and maintain investor confidence in regional markets. At the Firm's seminar, former Nigerian President Olusegun Obasanjo stressed the need to create an easier investment environment for all foreign investors in Africa. Doing so will lead to positive reports from existing investors, help shed negative connotations and lead to further, sustained growth.

ANNUAL REVIEW 2013







Vertical mergers face scrutiny

Partners Rebecca H. Farrington and J. Mark Gidley discuss how White & Case won antitrust clearance for a vertical merger that faced an unprecedented and aggressive DOJ challenge and the impact that success will have on future examinations of vertical mergers.

> "There was no precedent for the experimental economics the DOJ created for its challenge of the vertical merger, so we quickly (over a 48-hour period) created and used a re-analysis of the DOJ's own economics to successfully challenge the DOJ's economics."

> > —J. MARK GIDLEY, PARTNER

In the past, US vertical mergers—where a firm acquires either a customer or a suppliertypically didn't raise US Department of Justice (DOJ) antitrust concerns because the two parties aren't direct competitors. How has that changed recently?

RF: The DOJ and the Obama administration are definitely showing more interest in evaluating the competitive effects of vertical mergers. Much of this has to do with the new merger guidelines from 2010, which are still only horizontal merger guidelines, but demonstrate an increased focus on the overall competitive effect of a merger as opposed to following a formulaic review. We have seen an overall increase in scrutiny of the potential anticompetitive effects of any proposed merger, including vertical mergers.

JMG: This is still an experimental area for the DOJ, particularly because the merger guidelines cover horizontal mergers, but not vertical mergers. The DOJ has had to develop new economic models to investigate vertical mergers.

The DOJ's new approach to vertical mergers reared its head with the planned acquisition of Cascade Corporation, the world's leading lift truck attachments manufacturer, by our client Toyota Industries Corporation, a leading global forklift truck manufacturer. The DOJ began an aggressive investigation into the transaction because of Cascade's position as a supplier of lift truck attachments. To do so, the DOJ began using a newly developed unpublished and untried—vertical merger analysis using the Upward Pricing Pressure (UPP) model.

How did White & Case successfully obtain antitrust clearance for the deal, given the DOJ's aggressive and unprecedented challenge?

JMG: There was no precedent for the experimental economics the DOJ created for its challenge of the vertical merger, so we quickly (over a 48-hour period) created and used a re-analysis of the DOJ's own economics to successfully challenge the DOJ's economics. Facing a just-revealed finding by the DOJ's economists using their UPP model that the transaction would increase the price of a hypothetical bundle of goods from the two companies, we brought in Dr. Barry Harris and his colleagues at Economists Incorporated, as well as Dr. Ted Snyder, the Dean of the Yale Business School, and his colleagues at Analysis Group. Together, we built a defense that demonstrated that the vertical merger theory being used by the DOJ to suggest the likelihood of higher prices was flawed because that theory would require the corporates involved to act against their own self-interest.

RF: The flow of data and documents was very rapid; we created numerous economic models and had to produce them almost simultaneously with the DOJ. Part of that work combined merger simulations with the vertical UPP analysis. The simulations looked at all the potential outcomes of the vertical merger and predicted what the competitive effect would be. This was the first time for this for any law firm and for the DOJ to use vertical simulations, as far as we know. But the bottom line was that in our view, all the economic models demonstrated that the deal was pro-competitive no matter how you looked at it.

What is the forecast for continued DOJ investigations into vertical mergers? Will it continue to use its UPP model?

JMG: The DOJ will increase its focus on vertical mergers, and it will continue to use and refine its UPP model. There was an experimental aspect to the Toyota investigation: Both the DOJ and White & Case were quite creative in the economic work that was done, and the net effect is that the DOJ will be more advanced in its thinking when it gets to its next vertical merger investigation.

What impact will White & Case's success in challenging the application of the UPP model have on the DOJ's approach to vertical merger investigations? What is the route to success for vertical mergers given the DOJ's new approach?

JMG: Companies involved in a vertical merger will have to successfully challenge the application of the UPP model in their particular case, as we did for Toyota. It takes robust computational power—and more importantly human brain power and judgment to figure out what the UPP model means when applied to a particular vertical merger. There's no green light or red light.

RF: The government will continue to develop its process for examining vertical mergers without written vertical merger guidelines. With the Toyota merger, the DOJ was gaining experience with new modeling tools in real time, as we were trying to respond to something that had never been used before. This is an area of sophisticated economics, and the new economic tools we rapidly developed to demonstrate the pro-competition features of the particular vertical merger were the keys to success.

JMG: Because this is a complex and still largely uncharted territory, success will not come easily. Companies attempting to get clearance for a vertical merger will need advice and guidance from a law firm with experience in this exotic and esoteric area



Rebecca H. Farrington Partner, Washington, DC

- □ Partner in the Global Antitrust Practice. Focuses on government merger and non-merger investigations, private antitrust litigation and counseling clients on antitrust issues.
- □ Significant experience counseling clients on the pre-merger notification filing requirements and related antitrust issues of the Hart-Scott-Rodino **Antitrust Improvements** Act of 1976 (HSR Act).



J. Mark Gidley Partner, Washington, DC

- □ Leads the Global Antitrust Practice. Focuses on mergers, acquisitions and cartel cases, frequently with a transnational focus.
- □ Represents parties before the US competition agencies—the FTC and the Antitrust Divisionand in criminal grand jury and civil investigations of pricing conduct, and other potential antitrust violations Represents antitrust defendants in multiforum cases involving parallel, simultaneous government investigations and multiple civil actions.

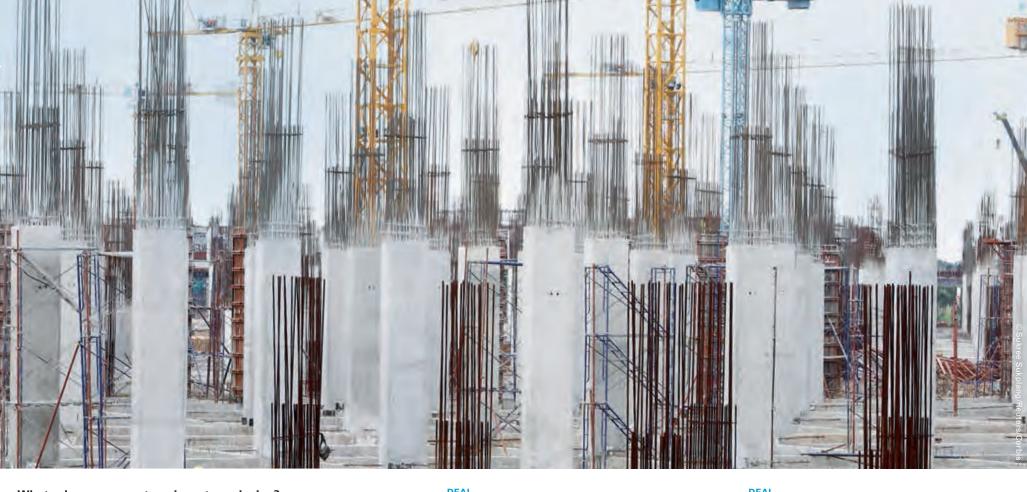
WHAT OUR ECONOMIC ANALYSIS ENTAILED

MILLION SIMULATIONS

1,000 **FACT SCENARIOS**

Spotting trends: Asia's capital markets

Regulatory changes, the emergence of an active "re-IPO" market and cornerstone investors take center stage. Partners Kaya Proudian, Anna-Marie Slot and Julian Chung discuss these developments.



ASIA EQUITY CAPITAL MARKETS ACTIVITY (FIRST NINE MONTHS 2013)*

DEBT US\$

114.6 BILLION

> 218 deals

FOLLOW-ON OFFERINGS US\$



692 deals

IPOs US\$



192 deals

*Excludes Japan and Australia Source: *Thomson Reuters*

What were some key 2013 legal developments in Asia's capital markets?

JC: A key development was the introduction of the Hong Kong Stock Exchange's (HKSE) new listing regime, which imposes criminal and civil liability on IPO sponsors for misstatements in prospectuses, requires the draft prospectus to be publicly displayed on HKSE's website upon the filing of a listing application and introduces a more streamlined process for HKSE's vetting of listing applications.

Issues surrounding this new regime include:

- Whether the imposition of prospectus liability on IPO sponsors will result in investment banks becoming more selective in the deals they take on, resulting in fewer IPOs being done in this market
- Whether IPO sponsors will be spending even more time on due diligence, resulting in a longer timetable leading up to the filing of the listing application
- KP: Regulatory changes encouraging investment in certain economic sectors also led to new capital markets products being introduced. For example, in 2013, we saw the first offering by an infrastructure fund come out of Thailand—the US\$2.2 billion IPO of BTS Mass Transit Growth Infrastructure Fund (BTSGIF)—made possible under rules recently adopted to encourage private and public co-investment in the infrastructure space. It is expected that this successful test of the new rules will pave the way for many more such deals.

What role are cornerstone investors playing?

KP: With volatility continuing to be a characteristic of the Asian capital markets, cornerstone investors have become critical to the success of major Asian equity offerings. Cornerstone investors are not new to the Asian equity markets, but the cornerstone process has become more frequently and widely used, at least where permitted by regulations, because it can provide a degree of certainty for deal execution and gives retail investors greater comfort to invest

For example, in the BTSGIF IPO in Thailand, more than 40 percent of the units were placed with about 20 local and international cornerstone investors before the domestic IPO's launch. And in the secondary offering of shares in Matahari Department Stores in Indonesia, more than 30 percent of the deal was placed with cornerstone investors. Likewise, the cornerstone process is a regular feature in the Singapore and Hong Kong IPO markets.

JC: In Hong Kong, this is the case with the China Galaxy Securities IPO and the Cinda IPO, with the latter IPO having cornerstone investors taking up 47 percent of the offered H shares. Some risk comes with the benefits, though. Regulators, issuers and financial market players must address the situation: When cornerstone investors take up so many of the shares, a satisfactory level of liquidity or sufficiently strong support for the issuer's share price in the market immediately after the IPO may not exist.

DEAL

Melco US\$1 billion high yield bond offering/ simultaneous debt buyback

We represented Deutsche Bank, ANZ, Bank of America Merrill Lynch and Citigroup, as joint lead managers, in a Rule 144A/Regulation S high yield offering of US\$1 billion 5% senior notes due 2021 issued by Melco Crown Entertainment Limited's subsidiary, MCE Finance Limited. Melco Crown, through its subsidiaries, develops, owns and operates casino gaming and entertainment resort facilities in Macau. The proceeds were used to repurchase in full MCE Finance's US\$600 million 10.25% senior notes (through a simultaneous tender offer on which we advised Deutsche Bank) and for the partial repayment of RMB 2.3 billion 3.75% bonds. We have advised, as underwriters' counsel, on all three of Melco's high yield bonds issued since 2010.

DEAL

Landmark samurai and sukuk bonds

We represented government and government entities in major global bond offerings:

- ☐ Qatar Petroleum's award-winning ¥85 billion (approximately US\$1 billion) inaugural samurai bond
- ☐ The Slovak Republic in its first samurai bond in more than 15 years
- ☐ The Republic of Indonesia in a US\$1.5 billion sukuk bond

US\$1.3 billion re-IPO/secondary offering of Indonesia's Matahari Department Store shares

We represented CIMB, Morgan Stanley and UBS, as joint global coordinators and joint bookrunners, in the secondary sale of 40 percent of the outstanding shares in Indonesia's Matahari Department Store (MDS), valued at approximately US\$1.3 billion. CVC Funds was one of the selling shareholders and sold approximately a 28 percent effective interest in MDS. The sale comprised a Rule 144A/Reg S offering outside Indonesia, and included 15 cornerstone institutional investors, such as PT Schroders Indonesia, Capital Group, Fidelity and BlackRock, who purchased approximately 33 percent of the offered shares.

3.0

How are credit enhancements being used in Chinese transactions?

AMS: Capital markets transactions are emerging with various types of credit enhancements, including keepwell arrangements, SBLCs, letters of support or similar types of additional support from entities within the structure. The focus on credit enhancement may be arising from the increased awareness of the challenges of recovery in various iurisdictions—for example, Suntech Power's ongoing bankruptcy proceedings, which are currently in litigation in the United States and China.

Looking ahead, what legal and business trends should investors be watching?

AMS: A trend worth watching is the Chinese renminbi's (RMB's) evolution as an international currency and the growth of the offshore RMB market. In 2013, the Chinese government expanded the scope for RMB transactions through numerous actions such as the three-year bilateral swap agreement between the European Central Bank and China's central bank and extending the RMB-qualified foreign institutional investor scheme (RQFII) to London (it was previously limited to Hong Kong), which allows overseas investors to invest offshore RMB in China. The impact of these developments will be the subject of lively debate.

- JC: Another recent development that came back into the spotlight in 2013 is the VIE structure in Hong Kong, with the listing of Forgame and Boyaa, two main players in the online and mobile games market in China. Many Internet companies previously used this structure when they listed in Hong Kong, primarily to get around China's restriction on foreign ownership in any Internet service providers.
- KP: An active "re-IPO" market has emerged in Asia. Follow-on offerings accounted for a significant majority of Asian equity capital markets in the last 18 months, but a growing number of these deals are essentially "IPOs" in all respects except name. A "re-IPO" is primarily targeted at listed but illiquid companies because their free float is too low and is more like an IPO than a typical follow-on offering.

One key issue for re-IPOs is that the guoted market price for a stock with little free float may not correspond to the price other investors will pay, and navigating local stock securities and listing rules with such price differentials can prove challenging in some markets.

In the Matahari secondary sale of shares, the pre-offering market price was IDR 4,200 per share, compared to an offer price of IDR 10,850 per share. This differential required regulators to agree to reset the guoted market price to the offer price in order to avoid stock exchange circuit breaker rules, which would have prevented after-market trading in the shares at or around the offer price level.



Julian Chung Partner, Hong Kong

- □ Advises on Greater China equity offerings and M&A transactions.
- Has significant experience with offerings by state-owned and privately owned companies, and in the mining sector.



Kaya Proudian Partner, Singapore

- □ Concentrates on emerging market IPOs secondary and other equity issuances, block trades, private placements, debt offerings, MTN programs and sovereign debt.
- □ Focuses primarily on Southeast and South Asian markets, with significant experience in the natural resources, consumer and retail, TMT, aviation and infrastructure sectors



Anna-Marie Slot Partner, Hong Kong

- Advises on high yield and other bond offerings, MTN programs, liability management exercises and equity offerings.
- □ Substantial experience with gaming and entertainment, oil and gas, real estate and TMT sectors.

A matter of talent:

Our Women's **Initiative**

Nicole E. Erb, Chair of White & Case's Global Women's Initiative, and partners Jacquelyn MacLennan and John M. Donovan, both members of the Women's Initiative Committee, discuss how White & Case is working to support the careers of our women lawyers.

What are the goals of the Initiative?

NE: The Global Women's Initiative was established to promote the retention and success of our women lawyers at the Firm. We have seen substantial improvement in both the retention and promotion of our female lawyers. But this progress does not happen overnight. It takes time and resolve.

JM: We have had some success in promoting a higher percentage of women to the partnership at White & Case, but not enough. We need to be seeking out great women in our lateral partner hires and focusing on how we can support the success of our women partners.

JD: To me there are several reasons this issue is important, but the one I put at the top is that being a successful firm is absolutely about having top-notch, talented partners. And when we look at how good our young lawyers are and the reviews the women associates get, it is clear we have every bit as many if not more top-performing women in the early years. So if the result is that not as many women are becoming partner, it means we absolutely are not getting the very best people into partnership, and that hurts us competitively.

There is a strong focus on talent management. What does that entail?

NE: We are retaining and advancing a higher percentage of our women lawyers, in large part due

to our talent management program, which is the centerpiece of our Women's Initiative. Members of the Women's Initiative Committee, together with regional section heads and other Firm leaders, focus on the performance and professional development needs of individual female lawyers. The program allows us to identify and provide development opportunities to our women lawyers on an individualized basis at different stages of their careers. As just a couple of examples, we identify candidates for various leadership training opportunities and help associates identify partner sponsors.

JD: I think the talent management program is a tremendously valuable process. The biggest plus is making sure that the people who are in the top half of our performers in the first four years continue that level of performance. The single biggest factor in professional growth is to be connected to a small team of associates and partners doing great work and to develop a strong mentoring relationship in that group. Our talent management process means in part that we are making sure we find opportunities for our best people to work in a good team.

JM: For me the talent management process works because it is concrete. There are specific steps that regional section heads take to make sure that women who have been identified as potential talent are not lost and are developed as fully and as early as possible. CONTINUED ON NEXT PAGE



New York City

"We have exceptionally talented lawyers at the Firm—men and women—at all levels. With the Firm's ongoing commitment to the development and promotion of our top talent, we will continue to see more partners and senior leaders within the Firm who are women."

—NICOLE E. ERB, PARTNER

JD: I know that having a mentor is tremendously important. Most of the top-performing partners in the Firm today, even the ones now seen as wholly independent or leaders of practices, clearly had significant mentoring relationships early in their careers. Helping develop those relationships for women will be key for their success just like it was true for both the women and men who are our top-performing partners now.

NE: We also see over and over again that the success of our lawyers—both men and women—is often tied to their having had a very active partner-sponsor invested in their career and advancement. A mentor is an important source of guidance, but a sponsor is someone who takes steps to ensure someone receives challenging opportunities, has visibility within the Firm and with clients, and advocates for that person's promotion at the appropriate time.

JM: I agree. Women need a sponsor to thrive in any organization and mentors to help them grow as lawyers and navigate their careers. We try to foster both roles. We also need to ensure that our women partners are properly represented in leadership roles, and we've focused on ensuring that the pool of partners we consider for leadership roles includes women partners. It is good for the Firm, and it is encouraging for our women associates to see women partners in these roles.



NE: The women's networks in each of our offices are invaluable to promoting greater interaction between associates, counsel, partners, and frequently, clients and alumnae. Among other things, these networks provide our lawyers with a variety of mentoring opportunities. Many of our women's networks have established mentoring circles, for which typically one female and one male partner co-lead a mentoring group of about five to ten associates.

JM: Women's networks are a great way to get women partners and associates connecting with each other. Internal networking events also help make our women associates see the benefit of networking externally. Great professional benefits can flow from friendships that have been formed with clients, and our women associates should prioritize networking from the beginning of their careers.

How do you view flexible work arrangements, which can be challenging in a demanding client service environment like ours?

JD: I think flexible work arrangements are important, although they clearly work better in some circumstances than in others. But this goes back to my first point that the number one reason we need to explore and use flexible work arrangements whenever possible is to keep highly skilled people contributing even if a full-time schedule doesn't work best for them at that time. We make a tremendous investment in people, teaching them over the first few years. As a result, having any high performers leave us hurts us.

NE: Communication is critical to making flexibility work—we see far greater success when colleagues ask each other what is and is not working in a flexible work arrangement. This allows people to make adjustments along the way. Of course, technology also can be a great help here.

JM: There is a balance though. Working remotely can help improve someone's personal productivity, but we also need to build teams, and we need time together to do that. So flexibility works best once relationships and a professional reputation have been established.

How do you see these efforts developing in the future?

NE: We have exceptionally talented lawyers at the Firm—men and women—at all levels. With the Firm's ongoing commitment to the development and promotion of our top talent, we will continue to see more partners and senior leaders within the Firm who are women.

JD: I think all professional development and talent management programs are ongoing lifetime processes. The way we try to accomplish these goals may change over time, and we have to be ready to deal with that, but it's important to look at this as one more really important never-ending aspect of making the Firm better.

JM: We can't have policies that just sit on the intranet—we must put them into practice. The key to making a women's initiative work is clear support from the top. Support for our women lawyers must be embedded in what we do as a Firm.



John M. Donovan Partner, New York

Chair of the Americas
Operations Council.
Active securities and
commercial finance
practice with an emphasis
on securitization
transactions and
structured financings.

□ Advises issuers, underwriters and credit enhancers on the issuance of securities; investment managers and fund managers on the organization, structuring and issuance of securities; investment funds and major corporate and financial institutions on public and Rule 144A debt and equity securities issuances, credit facilities and commercial paper programs.



Nicole E. Erb Partner, Washington, DC

□ Chair of the Global
Women's Initiative
Committee. Concentrates
on international dispute
resolution through
litigation and government
investigations, representing
domestic, foreign and
sovereign clients in
complex, multijurisdictional
disputes in federal and
state courts and before
US government agencies.

Also focuses on regulatory matters, including US economic sanctions, trade embargoes and anti-boycott laws, in the areas of civil and criminal enforcement, compliance and licensing.



Jacquelyn MacLennan Partner, Brussels

■ Member of the Firm's global Executive Committee.

■ Practices EU law, with a concentration in competition law, and advises on EU trade law and internal market regulatory issues, particularly environmenta law. Regularly litigates before the European and UK courts and before the European Commission.

ANNUAL REVIEW 2013

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Partners John M. Reiss and Robert Irving discuss private equity trends and the advice private equity sponsors need.

What was the private equity marketplace

JR: The private equity marketplace has morphed since the financial crisis. A number of funds have gone out of business, but those remaining are strong. However, we are not seeing the same megadeals that were seen pre-crisis for a variety of reasons, including the evaporation of the market for consortium deals. Financing in 2013 continued to be plentiful and strong. What is difficult is finding assets at fair prices, and this made the private equity marketplace very competitive in 2013.

RI: There was a shift in European market activity to US houses and "clear" winners among European sponsors. Debt financing difficulties continued, but "Bank/Bond" was on the rise and local debt financing in key markets (especially the Nordics) proved to be more resilient than traditional model "London syndicate" financing into Europe.

In Europe, the United Kingdom, the Nordics and Germany were key deal regions for both "plain vanilla" sponsors and US "mid-markets."

Finally, the sponsor community accepted regulatory change as inevitable and looked to adopt "best practices" and ensure that all parts of their businesses are fully joined up and appropriately risk-managed.

Given the competitive marketplace, what should private equity sponsors be looking for in terms of advice?

JR: A high percentage of companies are being sold at auction. Buyers at auction are increasingly being called on to do their valuation, due diligence and complete acquisition documentation before knowing if they are the winner at auction. To do everything they need to win the deal, they need to team with an adviser with deep resources, great marketplace experience and the ability to act quickly and efficiently.

In addition, when a private equity sponsor buys. management of the purchase is key. Since sponsors typically sit on the board, but don't manage, the incentivizing of top management is critical, and requires savvy employment and benefits advice.

RI: A full range of capabilities, including corporate, acquisition finance and alternative financing techniques, is critical. Also, as English law is increasingly used to govern large cross-border private equity deals in most EMEA markets, private equity sponsors will be looking for sound and experienced English law advice to ensure deals get done the right way. Finally, sponsors will be looking for on-the-ground support with local market understanding and insight in the key markets where

What is the outlook for private equity in 2014?

JR: With the high prices obtained in auctions in 2013, the high level of the stock market and continued cheap availability of finance, it is likely that many sponsors will attempt to sell any asset that isn't nailed down.

Private equity investors will be active as well—a Pregin December 2013 survey of investors indicated that 90 percent of investors plan to maintain or increase their allocations to private equity in 2014. Europe and North America will be the focus of investment activity. In another Pregin December 2013 survey, when asked to identify the regions offering the best investment opportunities, 59 percent of investors surveyed identified Europe and 54 percent indicated North America.

In Asia, China will start another round of privatizations, providing opportunities for private equity investors. Outbound investment will continue to grow, and Chinese companies will seek to team up with private equity funds to take advantage of opportunities created by this growth. In Japan, a new awareness of the benefits of private equity exists, particularly among small to mid-sized companies needing to expand abroad, and an increasing number of assets are becoming available as a result of restructurings. Finally, in Southeast Asia, a significant level of funds is waiting to be deployed by private equity investors, especially in Indonesia, as well as Malaysia, the Philippines and Thailand.

RI: The United Kingdom, the Nordics and Germany will continue to be key deal regions in Europe. Spain and Italy could also become significant.

The Wall Street Journal wrote that at least 15 private equity groups focused on those countries are looking to raise funds with a combined value of more than €4 billion.

A wall of maturing debt will create restructuring/ recap, workout, M&A and loan-to-own distressed opportunities, especially for experienced specialistsituation US investors and a wider range of alternative credit providers.

US\$1.3 billion UK private equity acquisition

We represented BC Partners Limited, the UK-based private equity firm, in its US\$1.3 billion acquisition of Allflex Europe S.A.S., the French-based animal identification systems company, from Electra Partners LLP and others.

DEAL

Belgian investment company's expansion in France and the United States

We represented Cobepa, SA, the Belgian investment company, in its €450 million acquisition of 63 percent of France-based Group Socotec, a leading provider of risk management and performance enhancement services, from Qualium Investissement, a fund affiliated with the French Caisse des Dépôts et Consignations. We also represented JF Hillebrand, a Cobepa portfolio company, in its majority stake acquisition of Satellite Logistics Group, a leading US beverage supply chain logistics business.

€2.5 billion joint venture sale in CEE

We represented the PPF Group, one of the largest investment and finance groups in Central and Eastern Europe (CEE), in the €2.5 billion sale of its remaining 49 percent stake in the Generali PPF Holding joint venture—a provider of multiline insurance, operating in 14 countries in CEE to Generali.

John M. Reiss Partner, New York

- □ Leads the Global Mergers & Acquisitions Practice.
- □ Represents parties in mergers and acquisitions and private equity transactions of all types, and regularly represents Boards of Directors in connection with corporate governance and fiduciary duty issues.



Robert Irving Partner, London/Budapest

- □ Co-Head of the EMEA private equity practice in White & Case's Global Mergers & Acquisitions Practice.
- □ Works on landmark transactions throughout CEE and Turkey, combining knowledge of and experience in the region with outstanding negotiation skills.

NEW LONDON PARTNERS ENHANCE PRIVATE EQUITY CAPABILITIES

As the European economy continues its recovery, private equity opportunities in Europe are set to rise. In response, White & Case announced in 2013 the addition of senior private equity partners Ian Bagshaw and Richard Youle to its London office. Bagshaw and Youle are recognized leaders in all forms of leveraged M&A and portfolio assistance, including restructuring advice. They join Robert Irving as co-heads of the EMEA private equity practice in White & Case's Global Mergers & Acquisitions Practice.

Bagshaw and Youle, together with private equity lawyer Russ Allardice, who joined the Firm in 2013, and White & Case's other London M&A lawyers, will draw on the Firm's full-service capability in London, as well as on-the-ground support in the European markets where private equity houses invest. The team's synergies with the Firm's EMEA banking and capital markets practices will drive the Firm's capability to advise the sponsor side on transactions to complement the advice currently offered to lenders in other deals.

The team will provide clients with enhanced private equity English law capabilities, a valuable benefit as an increasing number of large cross-border private equity deals in EMEA are being

governed by English law.

IN THE CURRENT FINANCIAL CLIMATE BY PERCENTAGE (MULTIPLE ANSWERS GIVEN)

WHERE INVESTORS VIEW

THE BEST OPPORTUNITIES

EUROPE

NORTH

AMERICA

REST OF THE WORLD



Source: Pregin O4 2013 Private Equity Fundraising Report Investor Survey





Rebecca Campbell Partner, London

- □ Partner in the Global Mining and Metals Industry Group.
- □ Recently joined from global resources company BHP Billiton, where she was in-house counsel, responsible for a broad range of multijurisdictional corporate and financing transactions.



Partner, Hong Kong

- □ Leads the Global Mining and Metals Industry Group.
- □ More than 25 years' experience in the mining industry, having worked as in-house counsel for both junior and major mining houses and having advised participants in the industry as a partner of one of Australia's leading law firms

Nonconventional funding returns to the mining industry

By John Tivey and Rebecca Campbell

As the commodity markets' boom has peaked and passed, the financial markets remain volatile for the mining industry.

Global equity capital markets are essentially closed to junior (market capitalization below US\$100 million) and mid-cap (market capitalization below US\$500 million) mining companies, and the major mining houses are unwilling to participate at the current multiples. While mining IPOs have historically dominated the Canadian market, there were no Toronto Stock Exchange mining IPOs in 2013's first guarter for the first time in a decade. A structural shift in investor preferences from equity to fixed income instruments, coupled with the bank loan market's contraction, has seen bonds outstripping corporate and project finance loans in the mining sector, with miners' new bonds sales raising US\$113 billion in 2012, up from 2011's US\$80 billion.

Mid-cap and major players are now using certain nonconventional funding sources long used by junior mining companies, particularly in emerging markets. The result? Streaming agreements, convertible debt and forward-sale arrangements are back and likely to stay in demand in 2014.

High yield bonds with restrictive covenants applicable to the issuer and restricted subsidiaries are also coming back into favor. In 2012, Hudbay Minerals used a US\$500 million 9.5% issue to finance Peru's Constancia copper mine, and in 2013 it added a US\$150 million 9.5% issue, simultaneously downsized its corporate revolver by that amount and added another US\$130 million equipment

Popular in the late 1990s, these financing tools have frequently emerged in the mining cycle. Most recently, streaming, convertibles and forward-sale agreements were seen in the immediate aftermath of the global financial crisis as reasonable quality assets of corporates, which had previously been able to easily access debt before the crisis, sought in order to refinance facilities.

Metal streaming was traditionally targeted at small-cap miners, which had difficulty obtaining debt financing. Rather than seeking an offtake agreement, project companies agree to sell a fixed percentage of future output (usually a precious metal) to the streaming company at a fixed price in

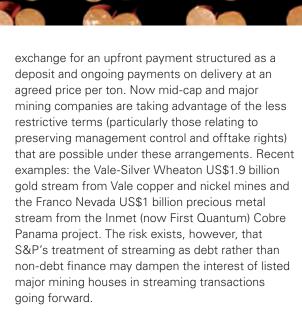
For sub-investment-grade miners, which are likely to require further equity investments, convertible debt facilities are providing some solutions. Typically, these involve a package combining a loan (term loan/ revolver/asset-based) with warrants and other rights of participation in capital growth of the company's shares. Coalspur, Astur Gold, Wolf Minerals and EMED have utilized convertible debt in recent deals.

For operating projects, forward-sale agreements are being used in new ways for hedging and for finance. A fixed amount of product is agreed to be sold at a fixed price, payable upfront with delivery at a future date, to enable immediate access to development funding or working capital.

Going forward, junior and mid-cap mining companies will seek ways to address their limited access to capital, and the major mining houses will explore how to distribute their low-cost debt. Asian statebacked investors will continue as a powerful capital source in the sector, notably in South America and Africa, where China has pledged US\$20 billion in loans over the next three years.

The pullback of traditional lenders from the mining sector may represent acquisition opportunities for mining companies with large cash holdings, whose risk willingness could be rewarded over time as current market conditions may be viewed as providing investment opportunities for those prepared to secure assets that would not be on the market but for the negative market factors prevalent since late 2012. Some private equity firms nontraditional investors in the sector—have completed mining deals, and others are showing interest. New funds are emerging with senior mining executives looking for opportunities to invest. Canadian banks have also begun to identify mid-tier mining companies, not as targets for the major mining houses, but as potential acquirers of the major mining houses' assets.

The re-emergence of these nonconventional funding mechanisms will play an important role in years to



come, filling the gap created by the evaporation of the equity capital and bank loan markets for sub-investment-grade miners.



The Center for Memory, Peace and Reconciliation in Bogota, Colombia

Truth and reconciliation in Latin America

By Jonathan C. Hamilton

We live in a multipolar world, where development and investment alike require reliable mechanisms for conflict resolution—to confront past problems and neutrally resolve future disputes.

Latin America is a vibrant participant in the multipolar world. In the two decades since a wave of economic and policy changes swept the region, most Latin American countries have embraced and even pioneered new international dispute mechanisms. It is largely an era of advocates and tribunals, focused on the future.

At the same time, most Latin American countries have created systems for confronting the past, with enhanced transparency and examination of alleged prior abuses. The common mandate of these commissions: truth and reconciliation.

The systems used to address conflict and resolve controversies, both internally and internationally, drive development, investment, stability, security and peace.

Collaborating with the Cyrus R. Vance Center for International Justice, White & Case issued a report entitled "Latin American Truth and Reconciliation," a comparative study of truth and reconciliation processes in five Latin American countries. The project originated to provide analysis relevant to the Brazilian National Truth Commission established

to investigate human rights issues related to the 1964–1985 military regime in Brazil. Through a comparative approach, a team of lawyers from seven White & Case offices in the Americas and Europe found that the work of Latin American commissions provides lessons, and cautionary tales, for countries grappling with similar issues.

The report focuses on the methodologies and findings of truth commissions in five key areas:

- Public hearings
- Media coverage
- Transparency and civil society participation
- ☐ The relationship between present and past violations
- ☐ Violence affecting rural areas and/or indigenous groups

The report focused on Argentina, Chile, Colombia, Guatemala and Peru. In each country, albeit in distinct ways and with differing outcomes and degrees of acceptance, the commissions recommended reparations for the victims, as well as improvements in the rule of law to strengthen human rights as a foundation for economic and social progress.

The Argentina Commission, for instance, issued proposals to reform the legal framework in recognition of human rights and adherence to human rights norms. The Chile Commission recommended legal and institutional measures, including the harmonization of national laws with international human rights standards, and advocated for the creation of public law foundations.

In Colombia, in addition to proposed judicial, administrative, economic and social changes, the Commission's findings became the basis for a new Victims Law, including the possibility of land reclamation. Land redistribution was also a focus of Guatemala's Commission, which proposed measures to strengthen the democratic process.

Finally, in Peru, a series of institutional reforms were presented to address social and economic consequences of conflict, further strengthening the country's commitment to democracy and the rule of law.

The report underscores how truth and reconciliation form a part of the Latin American conflict resolution system that can serve to strengthen the rule of law in today's multipolar world.

DISPUTE RESOLUTION

Innovative solution for economic crisis cases

International dispute systems are critical to investment, development and the rule of law in Latin America. A key example was the first case before the World Bank arising out of the global economic crisis. Spanish infrastructure companies filed contract and treaty cases against the Republic of Peru. Advised by White & Case, Peru won the first case, diminished the second and filed a pioneering third case that was the first-ever registered by a Latin American state at the World Bank.

White & Case resolved the entire trio of cases through a unique Acuerdo Integral approved by the Peruvian Council of Ministers. Peru turned a risk of more than US\$125 million into a recovery of US\$40 million, and all parties put the disputes behind them in a respectful manner.

Crises can be opportunities. Innovative solutions like this mark a path for resolving future conflicts through dispute mechanisms, complex negotiations and crisis management.



Jonathan C. Hamilton Partner, Washington, DC

- Head of Latin American arbitration and a leading authority on international disputes and investment, complex negotiations and crisis management. Author of Latin American Investment Protections and Latin Arbitration Law.
- Pro Bono Leader and board member of Institute for Transnational Arbitration, Cyrus R. Vance Center for International Justice and US-Mexico Foundation.

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A shipyard in Hong Kong

Funding the marine industry's future

POTENTIAL SOURCES

US capital Private equity

European Export credit

bond markets

OF FINANCING

Partners Christopher P. Frampton and David Manson discuss new capital sources for the marine industry.



The marine industry still faces significant challenges in the aftermath of the 2008 financial crisis.

Although 2013 brought reason for some optimism that the prolonged slump may end soon in certain segments, market equilibrium is still absent. There are still too many vessels for too little trade, and this may lead to additional restructuring. At the same time, the banking sector—the industry's traditional financing source—is retreating from lending in this area and is not expected to provide all the capital needed to address anticipated future capital expenditure and refinancing requirements. New capital sources are needed, and new partnerships need to be formed.

Here are four potential funding sources for the industry in the future:

1. Private equity and hedge funds

CF: There has been much talk in recent years of an influx of private equity and hedge fund capital into the marine industry, and a limited number of high-profile transactions have been completed. Although there is skepticism about the extent to which this capital source will invest in the sector, 2013 saw increasing levels of interest as various data sources suggested we may be approaching the bottom of the value cycle in certain segments. In August 2013, KKR entered the marine space with

US\$580 million, and we have been discussing with a number of funds the ways in which they might participate in the sector.

DM: Given the industry's cyclical nature and the opportunities a downcycle presents, there are investors seeking discounted investments in the secondary debt market and/or in respect of low vessel valuations. This may increase if the industry experiences further restructurings.

CF: Challenges exist in deploying this capital, and new investors will encounter legal and regulatory issues unique to the sector. In addition to complex rules governing shipping company taxation, a range of issues must be addressed regarding sanctions regimes, environmental regulations, competition rules, contingent maritime liabilities and board and shareholder liabilities, as well as other matters. An understanding will be required of the significance of flagging vessels in particular jurisdictions, as well as the fundamental economic issues associated with the interaction of different trade routes. Investors will need to conduct careful, broad-ranging diligence and select partners with the necessary experience to ensure an understanding of all these issues. The length of time for which capital is intended to be deployed is also significant, and whether that is tied to potential exit strategies through IPOs, secondary listings or otherwise must also be considered.

2. US capital markets

CF: US institutional investors, many of which have provided lending for other transportation sectors, have shown a willingness to consider alternate asset classes to address their own portfolio diversification objectives. The credit quality of companies seeking to access this capital source and the relative risks associated with the particular market segment will be important factors in determining whether financing can be raised. Bright spots in the industry exist, such as LNG transport and offshore rigs, and these may offer the type of risk profiles the capital markets require. Other sectors may also succeed, especially if credit enhancements and financing structures used in other transport sectors are utilized.

DM: This market's disclosure requirements may limit the universe of issuers prepared to consider this alternative. Nevertheless, increased activity for US investors and shipping companies is likely as long as the US market offers issuers the potential for pricing advantages with tenors no longer (or rarely) available in the bank market and/or until investors have preferred means of satisfying portfolio diversification strategies.

3. Export credit agencies (ECAs)

DM: ECAs have a clear rationale to support the maritime sector where jobs and "national interests"

are in play, particularly in Asia given the rivalries between Korean, Japanese and Chinese shipyards. Also, the Asia energy policy shift toward LNG creates a double strategic benefit—supporting the shipyards' economic health and securing transportation for the resources required to meet domestic energy demand.

CF: The type of ECA support being offered is evolving. The Korea Trade Insurance Company and the Export-Import Bank of Korea are reportedly planning additional products, including guaranteed bonds to support the purchase of Korean-built marine assets. While other ECAs have issued similar products supporting aviation manufacturers, this is innovative for the shipping industry, and it may bring new investors into the marine space. The guaranteed bond product also opens up a potentially significant way of accessing the US capital markets, as has occurred in the aviation sector.

4. European bond markets

DM: Some relief on the debt side has been found through bond issuances by European shipping companies. While some doubt the significance of these transactions for the broader marine sector, citing limited availability to a select group of high-quality issuers and the discrete size of the Frankfurt and Norwegian exchanges on which bonds have been issued, for the companies involved, a vital new source of capital has been accessed.



Christopher P. FramptonPartner, New York

- Leads the Global Asset Finance Practice.
- Practice focused on asset-based structured financings and related capital markets transactions, representing lessee/ borrowers, institutional equity investors, institutional lenders and underwriters in a wide variety of domestic and international financings with US, European and Asian creditors.



David MansonPartner, London

- Partner in the Global Financial Restructuring and Insolvency Practice.
- Advises banks, noteholders, funds and companies on all aspects of insolvency and national and crossborder restructurings and structured financings.

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Leading the way

Worldwide, we guided our clients in first-of-a-kind deals and matters as they entered new markets and achieved historic successes.



Partner, Warsaw

Bupa acquisition makes it Poland's number one healthcare player

We represented The British United Provident Association Limited (Bupa), the international healthcare group, in its acquisition of LUX MED Group, Poland's largest private healthcare provider, for €400 million. The acquisition makes Bupa the number one player in Poland's healthcare funding and provision markets, adding one million new customers to its international portfolio.

"Bupa's entry into the Polish healthcare market is a testament to the stability of the regulatory and political environment in Poland. We believe that this is a bellwether for further investment by blue-chip multinationals looking to tap the Polish growth story."

We represented Société Générale as global coordinator and Credit Suisse. Deutsche Bank. HSBC and Société Générale Bank & Trust as joint lead managers in the offering on the international markets of US\$1.25 billion Tier 1 deeply subordinated undated notes by Société Générale. This is the first issue of Additional Tier 1 instruments by a European bank since the publication by the European Union of CRD IV, which is the European transposition of the Basel III rules, on June 26, 2013.

"This was the first issue of its kind since the publication of the European rules. These long-awaited rules create a more stable regulatory environment for potential issuers of Additional Tier 1 instruments, which, being the riskiest form of bank debt, pay very high coupons. It is generally expected that 2014 will see European banks taking advantage of investor demand for higher yielding securities and starting issuances in earnest with the Société Générale deal serving as a precedent." Gilles Endréo Partner, Paris





First-of-its-kind regulatory capital notes issue since EŬ published CRD IV

Canadian utility Fortis enters US marketplace with multibilliondollar acquisitions We advised Fortis Inc., Canada's largest publicly

owned distribution utility, on the US\$1.5 billion acquisition of CH Energy Group Inc., a regulated gas and electric transmission and distribution utility located in New York. The transaction marks the initial entry by Fortis into the US-regulated electric and gas utility marketplace. We are also representing Fortis on its subsequent US\$4.3 billion acquisition of UNS Energy Corporation, a transaction that is awaiting regulatory and shareholder approvals.

Matthew J. Kautz Partner, New York

"These acquisitions by our longstanding client represent Fortis's much-anticipated entry into the US market and offer it further US acquisition opportunities, particularly in the US Southwest. Fortis's growing geographic diversification resulting from these acquisitions is consistent with its long-term strategy, mitigating its business risk by having no more than one-third of total assets located in any one regulatory jurisdiction."



Eric Michailov Partner, Moscow/ London

First-of-its-kind investment by **Qatar Holding LLC into Russia**

We represented Qatar Holding LLC, the direct and strategic investment arm of the Qatar Investment Authority, in its approximately US\$500 million equity investment in JSC VTB Bank (VTB). The transaction is Qatar Holding's first investment into Russia and one of the largest inbound investments in Russia in 2013. VTB is the second-largest bank in Russia in terms of all major indicators.

"This first-of-its-kind investment by Qatar Holding into Russia results directly from the Russian government's stated policy of seeking to privatize a number of key state entities over the next several years. We expect to see further such first-of-its-kind investments as privatizations continue."

Russia's largest privatization transaction since 2006, largest public offering of local shares in Russia

We acted as the underwriters' counsel in the privatization and initial public offering of ALROSA, the world's largest diamond company, with a listing on the Moscow Exchange. The deal is Russia's largest privatization transaction since 2006, the largest public offering of local shares in Russia and one of the largest resource sector offerings in recent years. The offering had a transaction value of RUB 41.3 billion (US\$1.3 billion). We represented joint bookrunners Goldman Sachs International, J.P. Morgan, Morgan Stanley, VTB Capital and Renaissance Capital.

"This deal was among the most highly anticipated deals of Russia's privatization program and gives investors the opportunity to invest in a pure-play diamond stock. The success of the placement on the newly merged Moscow Exchange will help foster a domestic investor base in and attract an international investor base to Russia."



Darina Lozovsky Partner, Moscow

Largest IPO in Paris since 2009

We advised the syndicate of banks led by Deutsche Bank and J.P. Morgan on the €750 million initial public offering of the Numericable Group, which provides cable and broadband services in France, on the NYSE Euronext in Paris. The public placement covers 25 percent of Numericable's share capital, and the company's value is estimated at approximately €5.8 billion. This transaction is the largest IPO in Paris since 2009.

"This transaction, which was heavily oversubscribed, has reopened the IPO market in France. Many significant IPOs are expected to occur in 2014, including large PE-owned companies and spin-offs."





Taking innovative approaches, we helped our clients gain success by using new strategies and fresh thinking.

Historic airline merger wins EC clearance

We successfully represented Aegean Airlines before the European Commission (EC), which cleared the Greek carrier's proposed acquisition of its rival Olympic Air. This is the second time the two companies have tried to merge, following Olympic/Aegean I, when the EC prohibited the transaction. A subsequent in-depth investigation (Phase II) by the EC concluded that, if not acquired by Aegean, Olympic Air would probably cease operating in the near future due to financial difficulties. The EC decided, therefore, that the merger would cause no harm to competition and should be cleared.

"While the positive decision should be viewed in light of the economic context in Greece, it nonetheless represents a first for EU merger control, as a merger that was previously blocked has now been cleared. This decision sends a clear message that you should not be afraid to reargue your case if circumstances have changed in the interim."

Mark Powell
Partner, Brussels

Innovative Iconix Brand Group, Inc. securitization

We represented Iconix Brand Group, Inc. in the issuance and sale under an existing securitization program by four of its special-purpose vehicle subsidiaries (the co-issuers) of US\$275 million notes. The notes are secured by substantially all of the co-issuers' assets, which include, among other things, intellectual property assets, including US and Canadian trademarks and related license agreements, and the rights to receive payments thereunder, joint venture interests and various accounts.

"This was a creative restructuring and securitization using intellectual property as security and cash flow to service debt. This securitization is the first to utilize brand IP rights and the related licenses as an asset class. Evolving market conditions created a perfect opportunity to modify a traditional cash flow structure and capitalize on the value the market places on ideas and intellectual property. Both debt and capital markets are responsive to the idea of lending against new asset types."

David Thatch Partner, New York

First project bond offering by Middle East independent power and water project

We advised Ruwais Power Company PJSC and its sponsors—shareholders Abu Dhabi National Energy Company PJSC, Abu Dhabi Water and Electricity Authority, International Power S.A., Marubeni Corporation and Osaka Gas Co. Ltd.—on the inaugural issuance of US\$825 million bonds and the related refinancing of the US\$2.3 billion Shuweihat 2 IWPP. This represents the first project bond offering by an independent power and water project in the Middle East.

"There has been much discussion about using project bonds as an alternative financing source for infrastructure projects. This offering clearly illustrates that the capital markets are a viable source, and we expect it will set precedent for others to follow, both in the Middle East and Europe."



Sean Johnson Partner, Abu Dhabi

Uniquely structured acquisition by Roust Trading

When Russian billionaire Roustam Tariko set his sights on a difficult cross-border transaction that would reposition his global vodka business. he turned to White & Case to chart the course. We advised Roust Trading Ltd. (RTL), the owner of Russian Standard Vodka, on architecting a multijurisdictional restructuring under which RTL would invest in and ultimately acquire Central European Distribution Corporation (CEDC), a leading producer and distributor of spirits in Russia, Poland and Hungary. CEDC was a US holding company that, together with its Eastern European operating subsidiaries, had more than US\$1.5 billion of US dollar-, euro- and Russian ruble-denominated obligations governed by US, UK, Russian and Polish law. After a series of difficult deals had been negotiated with, and approved by, the requisite majorities of CEDC's largely European bondholders, the transaction was implemented through CEDC's chapter 11 filing in Delaware. The prepackaged chapter 11 plan, approved by the Delaware Bankruptcy Court just over one month after CEDC's filing, eliminated approximately US\$665 million of debt from the company's balance sheet, avoided the risks associated with potential insolvency proceedings for CEDC's foreign operations and delivered 100 percent ownership to RTL. By this acquisition, RTL, through the combined operations of Russian Standard and CEDC, is now the world's second-largest vodka producer and distributor.

"This assignment presented a series of novel cross-border issues and problems that White & Case was uniquely positioned to address. European-style out-of-court negotiations were used to cut deals with the company's key creditor constituencies, and the restructuring was then completed through a surgical US chapter 11 prepackaged plan that reset the company's balance sheet and avoided any disturbance of the company's Eastern European operations."



Thomas Lauria Partner, New York/Miami

Innovative deal clarifies use of UK newcos in cross-border mergers

We advised Banco Itaú BBA International, S.A. (Itaú Portugal), a Portuguese credit institution. on the transfer of its European wholesale banking operations from Lisbon to London through a "merger by absorption" under The Companies (Cross-Border Mergers) Regulations 2007. The matter involved transferring the assets and liabilities of Itaú Portugal as transferor company to an "existing transferee company" in the United Kingdom, in consideration for shares in the transferee and dissolving the transferor without the need for liquidation. We went to the High Court, which ruled that the expression "existing transferee company" in the Regulations was intended to distinguish between merger by absorption and merger by forming a new company, thus enabling our client to proceed.

"This innovative deal removed uncertainty over whether a UK newco can be set up and used as a transferee company on a cross-border merger under the Regulations, in order to receive assets and liabilities from an EEA transferor company which is then dissolved without being liquidated. This is a positive result for our client and for future entities seeking to move a continental European business into the United Kingdom."

Ashley Ballard Partner, London 0)

5.0

Setting precedent

In venues around the world, we successfully represented our clients in arbitrations and litigations, delivering them precedent-setting and company-saving results.

First-ever investment treaty case to be dismissed on corruption grounds

We represented the Republic of Uzbekistan in an International Centre for Settlement of Investment Disputes (ICSID) arbitration brought by Metal-Tech, a metals refining company, pursuant to the Israel-Uzbekistan bilateral investment treaty. The tribunal rejected Metal-Tech's request for more than US\$170 million for alleged treaty violations in relation to its alleged investment in the Uzbek molybdenum industry in 2000, finding that Metal-Tech had no right to arbitration because the investment was "tainted by illegal activities, specifically corruption." This is the first investment treaty case ever dismissed on corruption grounds.

"This landmark award vindicates Uzbekistan's investment framework, which has contributed to investment inflows while reasonably expecting investors to follow the rules. It demonstrates that in the investment treaty context, an investor whose investment is tainted by corruption cannot present claims to an international tribunal about alleged State misconduct."



Carolyn B. Lamm Partner, Washington, DC

English law precedent helps Turkish conglomerate keep Turkcell ownership

We represented Turkish conglomerate Çukurova Holding A.Ş. in its dispute with Russia's Alfa Group over ownership of a US\$2 billion controlling stake in Turkcell, Turkey's largest mobile telephone operator. Alfa claimed to have appropriated the shares by way of enforcement of its security rights, under the Financial Collateral Arrangement (No. 2) Regulations 2003 in 2007. Using English law precedents going back more than 200 years, we convinced the Privy Council (the final appeal court of the British Virgin Islands) to grant Çukurova relief from forfeiture and the opportunity to redeem its shares. We then won another crucial Privy Council ruling for Çukurova, reducing by half (to approximately US\$1.5 billion) the sum that Alfa claimed it must pay to reacquire its shareholding.

"The market had great interest in the outcome of these legal arguments, because appropriation clauses are now standard in English law security documents. This is the first case in which exercise of the appropriation remedy was challenged and successfully overturned, providing clarity about this novel remedy to lenders and borrowers."



John Reynolds Partner, London



Dimitrios T. DrivasPartner, New York

Dismissal of almost all claims in Lipitor® antitrust litigation

In the US District Court for the District of New Jersey, we obtained the dismissal with prejudice of almost all antitrust claims asserted against our client Pfizer by class and individual direct purchaser plaintiffs—including Rite Aid, Walgreen and Safeway—in a complex, multidistrict litigation concerning Lipitor®, the most successful and widely prescribed drug in history (with peak sales of nearly US\$13 billion per year) and drastically reduced the plaintiffs' potential damages claim by more than US\$8 billion.

"The decision is notable not only because of the size of the reduction of potential liability, but also because it is one of the first to dismiss a sham FDA citizen petition claim, and one of the few cases to dismiss an antitrust claim based on fraudulent procurement of a patent (known as a Walker Process fraud claim) at the motion to dismiss stage."

Jury finds no liability in US\$2.3 billion-plus LCD price-fixing case

We successfully defended Toshiba Corporation in the US District Court for the Northern District of California in another high-profile US jury trial concerning alleged price-fixing in the liquid-crystal display (LCD) industry. The lawsuit was brought by class-action opt-out claimant Best Buy against Toshiba and its co-defendant, HannStar. Various other LCD plaintiffs and defendants had settled beforehand. Best Buy alleged damages of nearly US\$800 million, which put Toshiba's potential exposure at more than US\$2.3 billion after mandatory trebling. The trial jury completely exonerated Toshiba, finding that it did not participate in the price-fixing conspiracy of LCD panels, and therefore was not liable for damages.

"In this day and age where the common public perception of business and businesspeople is highly negative, it was gratifying that we could win a complete vindication of our corporate client Toshiba from a San Francisco jury."



Christopher M. Curran Partner, Washington, DC

€550 million victory for Commisimpex in long-running ICC arbitration

In a long-running dispute relating to public works built by our client Commisimpex for the Republic of the Congo, for which it had not been paid in decades, we obtained an award of €550 million, plus costs, against the Republic in an International Chamber of Commerce arbitration in Paris.

"This was a hard-earned victory for our client, in a complex dispute spanning three decades. It once again demonstrates the ability of international arbitration to serve as an effective mechanism for resolving cross-border disputes, even against State parties."



Michael Polkinghorne
Partner, Paris

We advised our clients on matters that significantly impacted their businesses and the markets and regions where they work.

Largest issue by European financial issuer on US market since 2011

We represented Italian banking group Intesa Sanpaolo S.p.A. in the annual update of its US dollar funding program of US\$15 billion and its US\$3.5 billion issuance of two Yankee bonds—the largest issue by a European financial issuer on the US market since January 2011.

"Dollar financing is an important option for European financial institutions, and we are honored to have accompanied Intesa Sanpaolo, Italy's only bank to maintain a dollar funding program, in a transaction that showed the courage of a strong financial institution in facing the market during turbulent times."



US\$1.1 billion IPO for US

biopharmaceutical giant Quintiles

We represented Morgan Stanley & Co. LLC, Barclays

Capital Inc. and J.P. Morgan Securities LLC as joint

bookrunning managers in connection with the initial

public offering of shares of common stock by US

company Quintiles Transnational Holdings Inc. and

by certain selling shareholders of the company. The

largest provider of biopharmaceutical development

services and commercial outsourcing services.

offering raised US\$1.1 billion. Quintiles is the world's



India-based GMR gets bank waivers to sell 70 percent stake in GMR Energy

We represented GMR Infrastructure Ltd. (GMR), an India-based infrastructure company, in its sale of a 70 percent stake in GMR Energy (Singapore) Pte. Ltd. (GMRE) to FPM Power Holdings Limited, a 60/40 joint venture between First Pacific Company Limited and Meralco PowerGen Corporation (a subsidiary of Manila Electric Company, the Philippines's biggest power distributor). GMRE is developing an 800 MW combined-cycle gas turbine (CCGT) power plant on Jurong Island, Singapore.

"At the time of the sale, the project company, controlled by GMR Infrastructure, was still in the plant's construction phase and subject to a significant project financing. We had little more than six weeks to convince the lenders, a consortium of more than 20 banks, to reassess construction risk and agree to let the sale proceed. We navigated GMR through the transaction's complexities, negotiating with the consortium of banks and the acquirer and their respective advisers and closing the transaction by the deadline."



Jonathan Olier Partner, Singapore

"US IPOs experienced a resurgence in 2013 and, in addition to transactions involving US issuers such as Quintiles, in 2013 we represented the issuer or

in 2013 we represented the issuer or underwriters in almost one-quarter of the US IPOs involving foreign issuers that raised over US\$50 million."



Colin J. Diamond
Partner, New York

US\$8 billion syndicated loan to Chinese e-commerce giant

We advised the nine mandated lead arrangers of the US\$8 billion syndicated loan to Chinese e-commerce giant Alibaba Group Holding Ltd, which was used to refinance the company's existing debt, pay for the buyback of preferred shares from Yahoo! Inc. and for general corporate purposes. The loan was offered in three tranches—a US\$1.5 billion three-year revolving credit facility, a US\$2.5 billion three-year term loan and a US\$4 billion five-year term loan. We also advised Citicorp International Limited as agent and security agent. This deal follows the Firm's role advising the banks underwriting the US\$1 billion financing in support of the purchase of Yahoo!'s 40 percent stake in Alibaba in September 2012 and the US\$3 billion financing in support of the take private of Alibaba.com Ltd in May 2012.

"Alibaba is by far the biggest competitor in China's growing e-commerce market. This was the largest US dollar syndicated loan out of Asia in recent years, and it set new benchmarks in terms of what can be raised in Asia's loan markets."



John HartleyPartner, Hong Kong



Victor J. DeSantis
Partner, Washington, DC

US\$1.69 billion bond offering underscores continued strength of Brazilian issuers

We represented HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc., Morgan Stanley & Co. LLC, BB Securities Limited, BNP Paribas Securities Corp. and Santander Investment Securities Inc. as initial purchasers and Crédit Agricole Securities (USA) Inc., DNB Markets, Inc., Mitsubishi UFJ Securities (USA), Inc. and Natixis Securities Americas LLC as co-managers in a Rule 144A/Regulation S offering of US\$1.69 billion notes by Odebrecht Offshore Drilling Finance Limited.

"Despite recent high-profile bankruptcies in Brazil, questions being raised regarding Brazil's current economic outlook and volatility during the year in international debt capital markets, this deal demonstrated that a large well-structured transaction involving high-quality sponsors such as Odebrecht could succeed despite those impediments."

€1 billion Netherlands PPP motorway project financing

White & Case represented SAAOne—a consortium comprising Hochtief PPP Solutions GmbH, VolkerInfra PPP B.V., Boskalis B.V. and the Dutch Infrastructure Fund (DIF Infra 3 Finance B.V.)—in the financing of the €1 billion A1/A6 Diemen-Muiderberg-Almere Havendreef motorway project in the Netherlands. The project is financed through a mix of senior facilities, milestone and equity bridge facilities provided by Japanese and European commercial banks and the European Investment Bank.

"This Dutch infrastructure project demonstrated the resilience in a difficult market of long-term project finance lending for well-structured deals involving key market participants. Looking ahead, we expect that sponsors will benefit from an increasingly competitive financing market for this type of project, given the multiple sources from which long-term funding is now available."



Caroline Miller Smith Partner, London

REVIEW 2013



Guniz Gokce Istanbul

Jiří Tomola

Prague

Sebastian Buss

Rebecca Campbell

Antoine Cousin

Marius Griskonis

Michael Watson

Alexander W. Woody

Istanbul

London

Riyadh

New York

Abu Dhabi

Justin Wagstaff New York

INTERNATIONAL **ARBITRATION**

Hansel T. Pham

Washington, DC

Nandakumar **Ponniya** Singapore

Julia Zagonek

Moscow

INTELLECTUAL **PROPERTY**

Raj Gandesha New York

2013 new partners

In 2013, 15 new partners joined White & Case and 28 Firm lawyers were promoted to partnership, resulting in a total of 43 new partners.

CAPITAL **MARKETS**

Gilles Endréo

Paris

Cenzi Gargaro

Philippe Herbelin

Paola Leocani Milan

Thomas Le Vert Paris

Darina Lozovsky

Moscow

Manuel Groenewold Ortíz-Mena

Mexico City

Séverin Robillard

Stuart Willey London

PROJECT FINANCE

FINANCIAL RESTRUCTURING AND **INSOLVENCY**

THE REST ASI BED TA A DES STAN, ATTA

Richard S. Kebrdle

Miami

David Manson

London

Paris

Laura Prater London

Céline Domenget Morin

Charles Balmain

Markus Langen

London

Frankfurt

Bodo Bender Frankfurt

ASSET FINANCE

Ji Joon Hong New York

REAL **ESTATE**

Stefan Feuerriegel Hamburg

SOUTHERNOC

MERGERS & **ACQUISITIONS**

Ross Allardice

London

AFRICOAN CONTRACTOR

Charles-Henri Arminjon

Riyadh

Julian Chung Hong Kong

New York

Daniel Dufner

Alexandre Jaurett

Paris

Roger Kiem

Moscow

Jonathan Langley

Frankfurt

Juan Manuel **De Remedios**

Nathalie

Madrid

Nègre-Eveillard

Jonathan Olier Singapore

Matthias Stupp Hamburg

Guillaume Vallat

Paris

MME

ORTH PACEFIC OCEAN

Association with Jakarta-based law firm Singapore | April January 30

We strengthened our Indonesia Practice through an association with MD & Partners, a newly established Indonesian law firm based in Jakarta.

New office in Madrid March 19

Building on our more than 30-year commitment to Spain, we opened an office in Madrid, led by partner Juan Manuel De Remedios, who joined the Firm in Madrid as Executive Partner of the office. Our team in Madrid draws on the experience of more than 60 Spanish-speaking lawyers.

White & Case Jessup Cup | March 31

Law students from the National Law School of India University won the 2013 White & Case World Championship at the Philip C. Jessup International Law Moot Court Competition in Washington, DC. The Jessup is the world's largest moot court competition.

35th anniversary in Hong Kong | April

Since opening in 1978, our Hong Kong office has served clients with services ranging from banking, capital markets and M&A to regulatory transactions, project finance and restructuring

30th anniversary in Stockholm | April

Our Stockholm office has advised clients in Sweden, the Baltic region, Europe and worldwide since 1983. Key practice areas include M&A, joint ventures, banking, securities and capital markets, and dispute resolution.

30th anniversary in

Opened in 1983, our Singapore office assists clients with their cross-border transactions across Southeast Asia, South Asia and China and handles matters under both English and US law. We are one of only a handful of foreign law firms to have been granted a license to practice Singapore law in permitted areas under the Singapore's Qualifying Foreign Law Practice Scheme.

Inaugural global Green Campaign

April 22 – May 22

We held our first global Green Campaign. More than 1,000 White & Case partners and employees pledged to take one or more personal actions over the next year to reduce our carbon footprint.

Marine Money Week June 18 – 20

We co-sponsored the 26th Marine Money Week in New York, the world's largest gathering of the international ship financing community. We also published Restructuring & Beyond: The Marine Industry's Route to Safety, our guide on survival strategies and opportunities in the marine sector.

Back-to-Business event September

Our Tokyo office hosted this event, which was attended by more than 370 guests from more than 200 companies.

White & Case World Cup | September 13 – 14

We held our annual World Cup in Berlin with more than 450 participants from 28 offices. The London team won in football, and the Bratislava team won in volleyball. Prague won a special award for the team having the strongest support.

G20: Demands of the New Normal seminar series

September – October

We hosted a series of autumn seminars in London on the theme of G20: Demands of the New Normal. A keynote event was held on October 17 with speakers including British political economist Will Hutton and former Chancellor of the Exchequer Lord Lamont.

New office in Astana October 1

We strengthened our practice in Kazakhstan by opening our second office there in Astana, its capital. Led by partner Maxim Telemtayev. the Astana office will work with our Almaty office, which has been serving clients since its opening in 1995.

20th anniversary in Rivadh | November

We celebrated 20 years in Rivadh advising global investors and lenders, private companies, the Saudi government and Saudi public institutions on matters ranging from inward investment to international trade and WTO issues.

Latitudes magazine launch | November

We published the inaugural issue of Latitudes. With independent commentary and insights, as well as contributions from White & Case lawvers worldwide. Latitudes focuses on the topics, trends and challenges that are at the forefront for global business leaders.

2013 recognition

International Law Firm of the Year

The Lawyer

For our London office's standout year in 2012 across practices and for the Firm's "true global profile."

"Receiving the 'International Firm of the Year' award from The Lawyer magazine in 2013 was welcome recognition from within the industry, with the judges specifically recognizing our global scale and true global profile."

—OLIVER BRETTLE, EXECUTIVE PARTNER OF THE LONDON OFFICE

Global Citizenship Award The American Lawyer

For our Anti-Human Trafficking Initiative, which analyzed criminal cases brought under anti-trafficking statutes in 160 countries for the UN Office of Drugs and Crime, helped improve laws protecting domestic workers in the Philippines, gave legal support to victim hotlines in ten countries and brought civil cases for trafficking victims.

"Building a global database of human trafficking cases allowed us to use our worldwide network in the fight against human trafficking. As a result of this work by more than 200 of our lawyers, there is now a publicly accessible tool supporting the enforcement of anti-human trafficking legislation and prosecution of these heinous crimes."

—SOMEERA KHOKHAR, PARTNER, NEW YORK

Global Finance Deal of the Year

The American Lawyer

For Greece's €206 billion sovereign debt restructuring, on which we advised, as co-counsel, the Steering Committee of the Private Creditor-Investor Committee for Greece. The sovereign-debt restructuring is the largest in history and the first of its kind in the eurozone.

Top five: Most Innovative Law Firm in the US

Financial Times/FT US Innovative Lawyers 2013 report

For ranking fifth among US law firm innovators in 2013. We were recognized in eight categories, winning "Standout" recognition—the highest recognition for matters in the Corporate & Commercial, Lawyers to the Innovators, and Finance categories.

"In an evolving world, innovation is an integral part of our Firm's culture and how we approach our work for our clients. I am pleased to see that our efforts to increase innovation in the Firm are being recognized."

—DAVID KOSCHIK, CHAIR OF THE INNOVATION AND EFFICIENCY COUNCIL

Global Elite in **Antitrust/Competition**

Global Competition Review

For distinguishing ourselves as among the top antitrust/competition firms worldwide.

Law Firm of the Year 2013 in Central and **Eastern Europe**

Chambers Europe

For preeminence and notable achievements over the past 12 months, including outstanding work, impressive strategic growth and excellence in client service.

Litigation of the Year

Global Competition Review

For our defense of Toshiba Corporation in a private civil antitrust class-action jury trial in the US District Court for the Northern District of California.

2013 Impact Award

For researching policies and legislation related to the protection of domestic workers. The research was used to negotiate for landmark legislation in the Philippines the Magna Carta for Domestic Workers that was passed in February 2013.

Best Law Firm in Africa

EMEA Finance

For dominating the continent's international sovereign bond market, working for either the issuers or bookrunners on 90 percent of all deals to come to market outside South Africa since 2007.

Projects/Energy Law Firm of the Year

Chambers Global 2013

For deploying high-quality full-service project teams across the breadth of our global network.

Best International Firm for Talent Management

Euromoney Americas Women in Business Law Awards

Best International Firm Mentoring Program

Euromoney Women in Business Law Awards

For our efforts to retain, develop and advance women lawyers.

Second-most diverse large law firm

The American Lawyer Diversity Scorecard 2013

For the diversity success we have achieved in the United States by making diversity a core value of the Firm, reflected in everything we do—from recruiting and hiring to advancement of our lawyers.

To learn more

Our annual review and social responsibility review are available on our website.



annualreview2013.whitecase.com



srreview.whitecase.com

2013 Awards

MarCom Platinum Award: Annual and social responsibility 2012 reviews

GDUSA American Web Design Awards: Annual and social responsibility 2012 website

GDUSA American Graphic Design Awards: Annual and social responsibility 2012 reviews









Illustrations by Mark N. Cole

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